

# **Interim Concession Contract**

**Glory Hole Concession Area**

**New Melones Lake**

## **Identification of The Parties**

This Interim Concession Contract is made and entered into by and between the United States of America, acting, through the Area Manager, Central California Area Office of the Mid Pacific Region, Bureau of Reclamation (as delegated), hereinafter referred to as “Reclamation” and Shasta Lake Resorts (SLR), a California limited partnership, hereinafter referred to as the “Concession Contractor”; together, Reclamation and the Concession Contractor to be referred to as “the Parties”.

### **Witnesseth:**

**Whereas**, the United States has withdrawn and acquired certain lands for the New Melones Unit; Central Valley Project (New Melones Project), on the Stanislaus River, California, and Reclamation is operating the New Melones Project including said lands; and

**Whereas**, Reclamation has determined that certain New Melones Project facilities and services are necessary and appropriate for the public use and enjoyment, and has designated the Glory Hole Concession Area for this purpose, and the Concession Contractor is willing to provide such services; and

**Whereas**, the Concession Contractor wishes to utilize a portion of said lands within the Glory Hole Concession Area for the location, construction, operation and maintenance of the New Melones Lake Marina, a public marina and associated recreation use facilities and developments.

**Whereas**, Reclamation is willing to allow the Concession Contractor a reasonable opportunity to realize a profit on the operations conducted within Glory Hole Concession Area; and

**Whereas**, the existing Concession Contract is expiring on the 31<sup>st</sup> of December 2012, and a continuation of concession services is desired by Reclamation; and

**Whereas**, the Concession Contractor’s services and facilities and temporary use of existing Reclamation Improvements during this interim contract will not be inconsistent with the requirements of Reclamation’s New Melones Project and will not interfere with the operation and responsibility of any and all entities associated with that Project; and

**Whereas**, Reclamation desires the Concession Contractor to maintain and operate these visitor services at reasonable rates as an independent contractor in conformity with all Applicable Laws and the terms of this Interim Concession Contract; and

**Whereas**,, Shasta Lake Resorts (SLR) is the existing Concession Contractor at Glory Hole Concession Area, operating as the New Melones Lake Marina pursuant to the July 2, 2010 Novation Agreement and Concession Agreement for New Melones Lake Marina, No. 6-LM-2004280, which expires on December 31, 2012; and

**Whereas**,, Reclamation desires the Concession Contractor to conduct these visitor services in a manner that demonstrates sound public health, safety and environmental management, stewardship, and leadership; and Reclamation is willing to recognize SLR as the successor party to the “Prior Concession Agreement” provided SLR agrees to the terms and conditions set forth

These paragraphs are here solely to have text that would go to a second page so that the header and footer would be visible in this Interim Concession Contract; and

**Now, Therefore**, pursuant to the authority contained in Reclamation Act of 1902, as amended and supplemented; Reclamation Project Act of 1939; Flood Control Act of December, 1944, as amended and supplemented; Flood Control Act of October, 1962 (P.L. 87-874) as amended and supplemented ; the Federal Water Project Recreation Act of 1965, as amended; Reclamation Recreation Management Act, Title XXVIII of Public Law 102-575; and other laws and policies that supplement and amend the acts, Reclamation and the Concession Contractor agree as follows:

## **Definitions**

The following terms used in this Interim Concession Contract and the exhibits to this Interim Concession Contract will be defined, for the purposes of this Interim Concession Contract and exhibits, as set forth below. Definitions apply to both the singular and the plural forms of the defined terms:

**Applicable Laws** – Federal, State and local laws governing the development, operation and maintenance of recreation facilities and services at New Melones Lake, including, but not limited to, the rules, regulations, and other requirements promulgated under those laws, whether now in force, or amended, enacted or promulgated in the future.

**Authorized Services** – Those services not specifically required under the Interim Concession Contract, but requested by the Concession Contractor and approved by Reclamation, which facilitate providing additional public services and conveniences consistent with this Interim Concession Contract.

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## **Interim Concession Contract**

### **Definitions**

**Assignment** – Designation of Government land and facilities by the Government for use by the Concession Contractor in providing contractually required services during the term of this Interim Concession Contract. Such designation will continue until contract expiration, termination, or until otherwise withdrawn by the Government. This designation does not transfer ownership of the subject property.

**Best Management Practices** – Policies and practices that apply the most current and advanced practicable means and technologies available to the Concession Contractor to undertake and maintain a superior level of environmental performance reasonable in light of the circumstances of the operations conducted under this Interim Concession Contract. Best Management Practices are expected to change from time to time as technology evolves.

**Catastrophic Hazard Deficiency** – A condition or practice which could result in immediate and imminent danger of death or permanent disability, chronic or irreversible illness, major property or resource damage.

**Concession Contractor Improvement(s)** – Fixed Assets provided by the Concession Contractor pursuant to the terms of this Interim Concession Contract with the written approval of Reclamation for the purposes of this Interim Concession Contract (including any Improvements made to Reclamation Improvements and Improvements made from funds in the Reserve Account for Facilities Improvement (RAFI)), during the term of the Interim Concession Contract, including buildings, Structures, Fixtures, equipment, and other Improvements affixed to the assigned lands in such a manner as to be a part of the realty. Because of their special circumstances, docks and other floating structures currently in place or that may be constructed by the Concession Contractor pursuant to the terms of this Interim Concession Contract are included in this category. Concession Contractor Improvements constructed affixed to the lands assigned to the Concession Contractor do not include any interest in the land upon which the Improvements are located. Additionally, a Concession Contractor Improvement does not include any interest in Personal Property of any kind including, but not limited to, vehicles, boats, houseboats or other objects, regardless of size, unless an item of Personal Property becomes a Fixture as defined in this Interim Concession Contract. Concession Contractor Improvements exclude site preparation work such as grading, cutting and filling of soil or rock.

**Contracting Officer** – Shall mean the Regional Director of the Mid Pacific Region, Bureau of Reclamation.

**Critical Hazard Deficiency** -A condition or practice which could result in permanent partial disability, temporary total disability greater than 3 months, significant property or resource damage.



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**Day or days** – Shall mean calendar days, unless the Contract shall specifically refer to business days which shall exclude weekends and federally recognized holidays.

**Exhibit or exhibits** – Shall mean the various exhibits, which are attached to this Interim Concession Contract, each of which is hereby made a part of this concession contract.

**Federal Estate** – Is the Federal land and water areas of the New Melones Project that are under the jurisdiction of the Department of the Interior, Bureau of Reclamation.

**Franchise Fee / Franchise Fees** – A payment to the Government that is considered a direct return upon consideration of the value to the Concession Contractor of the use, rights, and privileges granted by this Interim Concession Contract. Such value shall be based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of this Interim Concession Contract.

**Fixed Assets** – Are any Structures, Fixtures, or capital Improvements permanently attached to the Federal Estate.

**Fixtures** – Manufactured items of property of an independent form and utility, necessary for the basic functioning of a Structure that are affixed to and considered to be part of the Structure as real property once installed (e.g., toilets, sinks, faucets, walk in refrigerators and freezers) . Fixtures do not include building materials until incorporated into a Structure (e.g., wallboards, flooring, concrete, cinder blocks, steel beams, studs, window frames, windows, rafters, roofing, framing, siding, lumber, insulation, wallpaper and paint).

**Glory Hole Concession Area** -Said lands and water surface comprising approximately 20 acres of land and approximately 50 acres of adjacent water surface (maximum pool) described and depicted on the maps attached hereto as Exhibit A, all of which are within the SE 1/4, SE 1/4, Sec. 21, T, 2 N., R, 13 E., M.D.B &M.

**Gross Revenues/ Gross Receipts** – The total amount received or realized by, or accruing to, the Concession Contractor from all sales for cash or credit, of services, accommodations, materials, and other merchandise made pursuant to the rights granted by this Interim Concession Contract, commissions earned on contracts or agreements with other persons or companies operating in the area, and Gross Revenues earned from electronic media sales, but excluding

- Intra-company earnings on account of charges to other departments of the operation (such as laundry)
- Charges for employee's' meals, lodging, and transportation.

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- Cash discounts on purchases.
- Cash discounts on sales.
- Receipts from the sale of non-retail property including, houseboats and personal watercraft.
- Receipts from State and local licenses, (such as licenses from fishing and hunting).
- Interest on money loaned or in bank accounts.
- Income on investments.
- Income from any subsidiary companies not arising from business conducted in conjunction with this Interim Concession Contract.
- Sale of property that was acquired for the purpose of resale and not for use under this contract.
- Sales and excise taxes that are added as separate charges to sales prices, gasoline taxes, fishing license fees, and postage stamps, provided that the amount excluded shall not exceed the amount actually due or paid Government agencies.

All monies actually received by the Concession Contractor from coin operated devices provided by the Concession Contractor or through vendors authorized by the Concession Contractor and consistent with this Concession Contract shall be included in Gross Revenues.

**Improvements** – Any addition to real property that increases its value or utility or that enhances its appearance.

**Intangible Assets** – An asset without physical form, such as a contract right that may be owned that provides the owner with value.

**Minor Hazard Deficiency** -A condition or practice which could result in first aid or minor medical treatment. Presents minimal threat to human safety and health, property or resources, but is still in violation of a standard.

**New Melones Lake Marina** – A business venture operated in the Glory Hole Concession Area providing recreation opportunities including retail store, boat rental, houseboat mooring, fuel and other water based services, under authority granted by this Interim Concession Contract.

**Operating Plan** – is a plan for addressing the operation of the New Melones Lake Marina on both a seasonal and year-round basis. The Operating Plan is developed by the Concession Contractor and must be reviewed and approved by Reclamation prior to implementation.

**Personal Property** – All tangible assets not affixed to the land. Personal Property includes but is not limited to: vehicles, boats, houseboats, barges, or other objects,

regardless of size, unless an item of Personal Property becomes a Fixed Asset as defined in this Interim Concession Contract.

**Prior Concession Agreement** -means the original Concession Agreement No. 6-LM-20-04280 dated October 15, 1986 with Canteen Corporation; the January 12, 1993 Novation Agreement amending and assigning the Concession Agreement No. 6-LM-20-04280 to New Melones Lake Marina; and the July 2, 2010 Agreement Amending Novation Agreement and Concession Agreement for New Melones Lake Marina, No. 6-LM-2004280, amending and assigning it to Shasta Lake Resorts, a California general partnership. The Prior Concession Agreement expires on December 31, 2012 or on the effective date of this Interim Concession Contract, whichever comes first.

**Required (Base) Services** – The minimum services required that facilitate providing public services and conveniences consistent with this Interim Concession Contract.

**Reserve Account for Facilities Improvement (“RAFI”)** -An account holding an agreed upon portion of the Franchise Fee/Franchise Fees set aside for investment into capital Improvements within the Concession Boundaries.

**Secretary** -The Secretary of the Interior or his/her authorized representatives

**Significant Hazard Deficiency** -A condition or practice which could result in hospitalized minor injury, reversible illness, period of disability 3 months or less, loss or restricted workday accident, compensable injury illness, minor property or resource damage.

**Reclamation Improvements** – Government owned real property Improvement existing on the date hereof or hereafter constructed by or on behalf of Reclamation upon or affixed to the lands assigned to the Concession Contractor, including buildings, Structures, Fixtures, equipment, and other Improvements affixed to or resting upon the assigned lands in such a manner as to be a part of the realty.

**Structures** – A building or other improvement affixed to the land so as to be part of the real estate. A Structure may include both constructed infrastructure (e.g. water, power, and sewer lines) and constructed site Improvements (e.g. paved roads, retaining walls, sidewalks, paved driveways, and paved parking areas) that are permanently affixed to the land so as to be part of the real estate and that are in direct support of the use of a building, dock or other improvement. Interior furnishings that are not Fixtures are not part of a Structure. Structure excludes site preparation work such as grading, cutting and filling of soil or rock.

## **Section 1 – Term Of Interim Concession Contract**

### **A. Term Of Interim Concession Contract**

This Interim Concession Contract No. 12-LC-20-0191, herein and hereafter referred to as the “Interim Concession Contract” shall be for a period of 24 months effective on January 1, 2013, and shall be for a term ending December 31, 2015 or until terminated in accordance with Section 1.B.

Unless specifically authorized in writing by Reclamation, the Concession Contractor shall conduct no commercial activities within the concession area during the final 30 days of the term stated above, and may cease operation of commercial activities as early as 90 days prior to the term ending date in order to conduct various close-out activities. During the final 30 days of the term stated above, the Concession Contractor is authorized to access the concession area solely to conduct Reclamation approved actions to remove Concession Contractor Improvements (with the exception of any Improvements made to Reclamation Improvements) and Concession Contractor Personal Property and perform final clean-up activities.

Nothing in this section shall lessen the responsibility of the Concession Contractor to carry out actions to remove Concession Contractor Improvements (with the exception of any Improvements made to Reclamation Improvements) and Concession Contractor Personal Property and perform final clean-up activities as specified in Section 4.H of this Interim Concession Contract unless specifically authorized in writing by Reclamation.

### **B. INTERIM CONCESSION CONTRACT TERMINATION**

Upon mutual written agreement, the Concession Contractor and Reclamation may terminate this Interim Concession Contract with a 180-day advanced notice provided in writing by either party.

#### **Breach**

Reclamation may terminate this Interim Concession Contract if Reclamation determines that the Concession Contractor has materially breached any requirement of this Interim Concession Contract.

In the event of a breach of this Interim Concession Contract, Reclamation will provide the Concession Contractor an opportunity to cure by providing written notice to the Concession Contractor of the breach. In the event of a monetary breach, Reclamation will give the Concession Contractor a 15-day period to cure the breach. If the breach is not cured within that period, Reclamation may terminate this Interim Concession

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Contract for default. In the event of a non-monetary breach, Reclamation will give the Concession Contractor 30 days to cure the breach or to submit a plan to cure the breach. The plan must be approved by Reclamation and must be initiated within 30 days of Reclamation's approval and completed on a schedule acceptable to Reclamation.

Provided, if in Reclamation's view, exigent circumstances exist that require a more immediate response, Reclamation may require immediate resolution of any breach, in which case Reclamation shall give reasonable notice of the circumstances.

If the breach is not cured within this specified period of time, the Contracting Officer may terminate this Interim Concession Contract for default. Notwithstanding this provision, successive, multiple breaches (two or more) of the same nature shall be grounds for termination for default without a cure period. In the event of a breach of any nature, Reclamation may suspend the Concession Contractor's operations, as appropriate.

Reclamation may terminate this Interim Concession Contract upon the filing by the Concession Contractor of any petition seeking relief under any provision of the Bankruptcy Act or successive legislation; an assignment by the Concession Contractor for the benefit of creditors; a petition or other proceeding against the Concession Contractor for the appointment of a trustee, receiver, or liquidator. Reclamation may terminate this Interim Concession Contract if the Contracting Officer determines that the Concession Contractor is unable to perform the terms of the Interim Concession Contract because of such filings or assignments. Termination of this Interim Concession Contract for any reason shall be by written notice to the Concession Contractor.

In the event the Concession Contractor applies for and is awarded a new long-term concession contract for recreation services at Glory Hole Concession Area during the term of this Interim Concession Contract, this Interim Concession Contract will automatically terminate upon the effective date of the new long-term concession contract, or upon a date mutually agreed to by the parties to this contract.

**C. Notice of Bankruptcy or Insolvency**

The Concession Contractor or any affiliated organization must give Reclamation immediate notice after the filing of any petition in bankruptcy, filing any petition seeking relief of the same or different kind under any provision of the Bankruptcy Act or its successor, or making any assignment for the benefit of creditors. The Concession Contractor must

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also give Reclamation immediate notice of any petition or other proceeding against the Concession Contractor for the appointment of a trustee, receiver, or liquidator, or the taking by any person or entity of the rights granted by this Interim Concession Contract or any part thereof upon execution, attachment, or other process of law or equity. For purposes of the bankruptcy statutes, Reclamation considers that this Interim Concession Contract is not a lease but an executory Contract exempt from inclusion in assets of the Concession Contractor pursuant to 11 U.S.C. 365.

#### **D. Contract Suspension**

Reclamation may temporarily suspend operations under this Interim Concession Contract in whole or in part, as deemed necessary, in order to protect area visitors or to protect, conserve, and preserve area resources. This Interim Concession Contract may be suspended in whole or in part, for Contract violations that include, but are not limited to, administrative deficiency, operational deficiency, health and safety, employee drug use, or environmental regulation noncompliance, as deemed necessary by Reclamation. No compensation of any nature shall be due the Concession Contractor by Reclamation in the event of a suspension of operations, including, but not limited to, compensation for losses based on lost income, profit, wages, or the necessity to make expenditures as a result of the suspension.

#### **E. Contract Extension**

The term of this Interim Concession Contract may not be extended beyond that stated in Section 1.A.

#### **F. No Right of Renewal Preference**

This Interim Concession Contract does not include a right of renewal.

#### **G. Assignment, Sale, Transfer of Interests**

Unless specifically authorized in this Concession Contract, the Concession Contractor shall not transfer, assign, sell, or otherwise convey or pledge any property or other interests under this Interim Concession Contract. Reclamation shall not be obliged to recognize the right of any person or entity to an interest in this Interim Concession Contract of any nature, including but not limited to operating rights.

#### **H. Interests in Concession Contractor Improvements and Personal Property**

During the term of this Interim Concession Contract, the Concession Contractor shall have the right to sell their interest in Concession

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Contractor Improvements (with the exception of any Improvements made to Reclamation Improvements) and Personal Property owned by the Concession Contractor. Provided,

1. The sale of such Concession Contractor Improvements or Personal Property owned by the Concession Contractor shall not interrupt the provision of Required (Base) Services or Authorized Services.
  - a. The sale of Personal Property not owned by the Concession Contractor is prohibited on the Federal Estate.
2. The Concession Contractor shall inform the person(s) purchasing the Concession Contractor Improvements and Personal Property owned by the Concession Contractor that such property and Improvements must be removed from the Federal Estate within five working days and at no expense to Reclamation.
  - a. The removal of such assets and/or property shall be performed in such a manner as to not disrupt the concessions operations, adversely affect the safety or enjoyment of the visiting public, or negatively impact natural or cultural resources.
3. The Concession Contractor shall hold Reclamation harmless for any damage to either property or assets that may occur during the removal or transportation of such property and assets, in accordance with Section 6.A of this Interim Concession Contract.

## **Section 2 -Services and Operations**

### **A. Generally**

The United States hereby authorizes the Concession Contractor to use the lands described in Section 4.A.1 for public outdoor recreation facilities and services, as the New Melones Lake Marina, subject to the terms and conditions of this Agreement.

The Concession Contractor shall, at no cost to the United States, construct, operate and maintain all Concession Contractor Improvements, facilities, conveniences, utilities, landscaping and visitor services within the concession area. Management of the concession area shall be in accordance with all Applicable Laws.

The Concession Contractor shall provide, operate, and maintain the Concession Contractor Improvements, facilities, conveniences, utilities, landscaping and visitor services in accordance with this Interim Concession Contract to such an extent and in a manner considered satisfactory by Reclamation. The terms of any boat or slip rentals or mooring agreements shall not exceed the term of the Interim Concession Contract. During the term of this Interim Concession Contract, the Concession Contractor is not authorized to provide any service, facility, or activity not identified within this Interim Concession Contract or contained in the approved Operating Plan.

### **B. Services**

In general, the services to be provided include waterside facilities constituting a public marina with docks and gangways; boat and houseboat slip rentals, mooring balls, a floating retail store, public restrooms, marine fueling and sewage pump out stations, and rental boats including but not limited to jet skis, ski boats, fishing boats and houseboats. These services are supported by landside facilities such as roads, lighted parking areas, walkways, restrooms, dry storage yard with office, mechanic shop and warehouse facilities, and all associated power, water, and sewer infrastructure. These waterside and landside services and facilities are categorized as Required (Base) and Authorized Services, which are further explained in Section 2.C. below. The specific descriptions of the Required (Base) and Authorized Services carried forward from Prior Concession Agreements are provided in Exhibit B.

Reclamation reserves the right to determine and control the nature, type, price and quality of the services provided and merchandise sold within the area of operation as described in this Interim Concession Contract. All such services and merchandise will be compatible with the intent of the



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Interim Concession Contract and questions of applicability or requests for variance shall be forwarded to Reclamation for consideration. Any variance requested must be approved by Reclamation in writing. Reclamation will make every effort possible to review, in a timely manner, requested changes in the price and quality of the services provided and merchandise sold.

#### **C. Facilities**

The Concession Contractor shall provide or shall continue to provide the following:

1. Waterside facilities to include:
  - a. Open moorages with approximately one hundred and fifty-two berths (main pier with a 6-foot gangway and 8 foot width main dock with 1 and 2 foot-wide finger piers), all designed according to standards employed by Marinas International, Ltd. Anchorage for fifty houseboats in the moorage area and 18 courtesy rental slips for the general public shall also be provided.
  - b. A minimum of twenty small motor boat rentals not less than 8 feet in length, located adjacent to the courtesy dock area and available for rent on daily and hourly basis.
  - c. A boat clean-out facility including a sewage dump station and lift pump for use by boaters for black and gray water disposal at or adjacent to the courtesy dock area with a capacity of not less than 500 gallons. The Concession Contractor shall also provide year-round pump-out and transport of sewage from floating restrooms as provided in this Interim Concession Contract.
  - d. Mooring and power supply for one boat garage, provided by Reclamation, for seasonal docking of one Reclamation emergency response boat at a wet slip location which allows Reclamation easy access on a 24-hour basis.
  - e. One fire boat and garage facility shall be provided and maintained by the Concession Contractor and operated by the Altaville-Melones Fire District as a means of fire protection and public emergency response services on the lake as provided in Bureau of Reclamation, New Melones Lake Marina and Altaville Melones Fire Protection District Memorandum of Understanding dated March 13, 2007.

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- f. One courtesy dock designed to promote efficient boating movement, while also providing efficient public boating services such as gas, sewage disposal and propane. Public flush restroom facilities with a minimum of one toilet for each sex, and sinks with potable water shall be available in the wet slip/store area.

#### **2. Landside facilities to include:**

- a. A gangway pier not less than 6 feet in width to provide access from shore to wet slip area. The gangway must accommodate maximum lake fluctuations and provide railings for public safety and use by people with disabilities.
- b. A 22-foot-wide, two-lane, paved primary access road from the main recreation area roadway to the New Melones Lake Marina and the adjacent paved parking area shall be maintained by the Concession Contractor. Automobile parking for up to 97 cars shall be available so as to provide easy access to the dock, wet slip and moorage areas.
- c. Dry storage yard with security fencing, not exceeding 8 feet in height shall be provided. Said yard shall be used for storage of Concession Contractor's maintenance equipment, inventory, rental boats, boat trailers and other equipment and facilities needed for operation and maintenance of the concession area and provision of Required (Base) Services and Authorized Services. Privately owned boats may not be stored in the yard unless under repair by the Concession Contractor as permitted in this Interim Concession Contract. Maintenance facilities provided in the dry storage yard shall include storeroom, maintenance shop and garage.
- d. Gasoline storage tanks with a minimum capacity of 10,000 gallons shall be provided to serve dockside fuel dispenser. Gasoline storage tanks shall be maintained and operated in accordance with Federal and state hazardous materials laws and regulations.
- e. A retail store shall be provided for marketing groceries, sundries, gas, oil, tackle, bait, and propane (500-gallon minimum storage) to the public, preferably located waterside.

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3. Utilities shall include water and water supply facilities adequate to supply and treat, as required, water from the existing well and/or diverted from New Melones Lake or elsewhere for fire protection, grounds maintenance, and the provision of potable water.
4. Reclamation shall have the ability to connect and utilize the water system operated by the Concession Contractor in the event of a loss of water or system failure in the recreation area, or upon mutual agreement by the Parties for other purposes to benefit the public.
5. Sewage facilities shall be provided that are adequate to dispose of sewage discharged from employee housing, restrooms, retail store, food service and other buildings within the concession area and shall be connected to a sewage sump of not less than 5,000-gallon capacity. A wastewater treatment facility located in the Glory Hole Recreation Area, as identified in the New Melones Lake Area Resource Management Plan, is available to the Concession Contractor for disposal of sewage, as allowed by and consistent with the terms of the current Waste Discharge Permit issued by the State of California Water Quality Control Board. Sewage disposal shall be under the direction of the Reclamation wastewater operator at mutually agreed upon days and time periods.
6. Surface drainage facilities adequate to regulate surface water drainage to avoid erosion and pollution discharge into the reservoir and on lands within and adjacent to the concession area shall be installed and maintained by the Concession Contractor.
7. Power for operation of the Concession Contractor Improvements and all services shall be the responsibility of the Concession Contractor. Power is provided by PG&E with their equipment at the expense of the Concession Contractor. Electric power outlets for power provided by the Concession Contractor shall be available to all houseboat slips to service small noncommercial battery chargers (up to 10 amps), small tools, radios, etc. All electrical distribution lines within the concession area shall be installed underground.
8. Lighting adequate for safety and security shall be provided for all piers, docks, lifts, navigation aids, safety markers, roadways, parking lots, storage yards, and other general public use areas. Lighting shall be designed so that illumination will not intrude on other public facilities at the lake.

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9. The Concession Contractor shall implement and adhere to the Operating Plan (Exhibit E), which identifies the management, seasonal hours of operation, and scope of services to be provided, and addresses safety, sanitation, security and fire protection for the marina facilities along with employee standards and employment conditions. The Operating Plan shall be reviewed annually and updated, as required by Reclamation.
  - a. The Concession Contractor may request a seasonal adjustment to the required levels of service and/or the means and methods of providing certain public services and consumables to match seasonal demand.
  - b. A request to seasonally adjust any required levels of service or consumables must be submitted by the Concession Contractor to Reclamation for approval as an amendment to the Operating Plan as required in Section 2A. Such request(s) shall outline in detail the specific service(s) to be adjusted, historical backup documentation of public demand supporting a seasonal adjustment, and the proposed seasonal adjustment to the seasonal period and level of service and/or an adjustment to the means and methods of providing such services.
  - c. Any amendments to the Operating Plan must be approved in writing by Reclamation. Upon written approval of the amended Operating Plan by Reclamation, the Concession Contractor will adhere to and implement the amended Operating Plan.

#### **D. Legal, Regulatory, and Policy Compliance**

This Interim Concession Contract, and its administration by Reclamation, shall be in accordance with all Applicable Laws.

All terms of the Interim Concession Agreement will be interpreted and implemented in accordance with Reclamation Manual Policy LND P02, dated March 4, 2002, Reclamation Manual Directives and Standards LND 04-01, dated April 29, 2002 and their subsequent amendments (Policies). Exhibit D, attached hereto includes these Policies.

The Concession Contractor shall operate and maintain its facilities and appurtenances in safe and effective working order, in compliance with all Applicable Laws.

The Concession Contractor shall give Reclamation immediate written notice of any violation of Applicable Laws by the Concession Contractor, including its agents, or contractors, and, at its sole cost and expense, must promptly rectify any such violation. Failure to notify Reclamation and a failure to rectify the violation(s) will be a breach of the contract and may be reason for Reclamation to terminate the contract.

**E. Rates for Goods and Services**

Rates for all Required (Base) Services, Authorized Services, and goods shall be reasonable and appropriate for the type and quality of the goods and services provided and must be approved by Reclamation. Reclamation will evaluate rate requests based on the comparability approach as described in the current Reclamation Concession Management Guidelines, dated April 2005 (website information is provided in Exhibit D).

Rate approvals shall be requested in advance by the Concession Contractor in writing to Reclamation. The initial rate request of this Interim Concession Contract shall be made within 30 days from the date of this Interim Concession Contract for all services for the 2013 recreation season. Thereafter, rate change requests shall be submitted annually by October 1st for the following calendar year. Reclamation will make reasonable efforts to respond within 30 days of receipt. The Concession Contractor shall prominently post all rates and charges for goods and services provided to the visiting public as approved by Reclamation.

Rate requests should reflect rates for comparable goods and services provided by the private sector operating in a competitive environment under similar operating conditions. Should Reclamation not approve a rate request for any of the Concession Contractor's goods or services, based upon this comparability approach, the Concession Contractor is required to continue using the rates approved by Reclamation. If the Concession Contractor disagrees with Reclamation's determination, it may request reconsideration upon the submission of additional supporting information to the Contracting Officer within 30 days of the date of a decision on rates. If the Concession Contractor does not request reconsideration of the decision on rates within the 30 days prescribed, the decision is final and non-appealable. If the Concession Contractor timely requests reconsideration of rates, the Contracting Officers decision on reconsideration is final, non-appealable, and not subject to further reconsideration.

**F. Nondiscrimination of Service To Visitors**

Concession Contractor employees shall not discriminate when setting rates or providing services and facilities to visitors. The Concession Contractor

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shall comply with all Applicable Laws and regulations, whether now in force or made effective after the execution of this Interim Concession Contract, relating to nondiscrimination in the provision of services and facilities.

#### **G. Concession Contractor Employees**

The Concession Contractor shall employ all personnel necessary to provide the Required (Base) Services and Authorized Services specified in this Interim Concession Contract.

The Concession Contractor shall require and ensure that its employees are hospitable and exercise courtesy and consideration in their relations with the public and with Reclamation employees. The Concession Contractor will require its employees to wear some type of visual identifier by which they may be identified as employees of the Concession Contractor.

The Concession Contractor shall review the conduct of any of its employees whose action or activities are considered by the Concession Contractor or Reclamation to be inconsistent with the proper administration of the area and protection of visitor safety and enjoyment and shall take such actions as are necessary to correct the situation.

#### **H. Concession Contractor Employment Conditions**

The Concession Contractor shall comply with Applicable Laws relating to employment of workers, nondiscrimination in employment, and providing accessible facilities and services.

The Concession Contractor shall maintain a drug-free environment, both in the workplace and in any Concession Contractor employee housing, within the authorized area of operation.

These responsibilities of the Concession Contractor may be exercised through an external agreement with individuals, companies, or agencies qualified to provide such assistance.

#### **I. Concession Review Program**

The Concession Contractor shall be evaluated by Reclamation under the existing Concession Review Program, as described in the current Reclamation Concession Management Guidelines, dated April 2005 and as required per Directive and Standard LND 04-01 (website information is provided in Exhibit D). The Concession Review Program will consist of four separate evaluations: (1) Operation and Facilities Evaluation, (2) Public Health Service Inspection, (3) Safety and Environmental Evaluation, and (4) Contract Compliance Evaluation. Other inspections may be conducted as required. The Operation and Facilities Evaluation shall be conducted not less than three (3) times per year with at least one

evaluation during the operating season. All other evaluations shall be conducted semi-annually or more frequently, as needed. At all times Reclamation reserves the right to inspect the site and all facilities. Reclamation will be granted ingress and egress to these locations, but Reclamation will seek to provide reasonable notice as appropriate.

**J. Legal Vehicle Uses in the Concession Area**

All vehicles owned and used by the Concession Contractor must have current vehicle insurance, license and registration as required by the State of California and be operated in accordance with all motor vehicle statutes, rules, and regulations.

**K. Reservation Policy**

Reservations shall continue to be accepted for boat rental and other services in accordance with the approved reservation system as set forth in the Operating Plan (Exhibit E). Proposed changes to the approved reservation system shall be submitted in writing to Reclamation for approval prior to implementation. The Concession Contractor shall amend the policy, as necessary, to Reclamation's satisfaction.

## **Section 3 - Protection and Interpretation of Area Resources**

### **A. Environmental Management Objectives**

The Concession Contractor shall comply with the environmental management objectives identified in the Mid-Pacific Region Environmental Management System Manual and Reclamation's "Inspection and Cleaning Manual for Equipment and Vehicles to Prevent the Spread of Invasive Species" (Technical Memorandum #86-68220-07-05), both of which will be provided upon request. Compliance with the Mid-Pacific Region Environmental Management System requires, at a minimum, the incorporation of the following practices into marina operations.

1. The Concession Contractor, including its employees, agents, and contractors, shall comply with all Applicable Laws pertaining to the protection of the public, employees, and natural and cultural resources within the area of operation.
2. The Concession Contractor shall be responsible for incorporating the Best Environmental Management Practices ("BEMPs"), (as provided in Mid-Pacific Region Environmental Management System Manual), into the operations, maintenance and construction activities occurring in the Concession Area.
  - a. The Concession Contractor shall provide training when applicable for all managers, supervisors and employees into BEMPs.
  - b. Recycling program and other environmental activities shall be implemented in accordance with BEMPs.
  - c. The Concession Contractor's operation, maintenance, acquisition, and purchasing activities will, to the extent practical, promote the use of environmentally preferable products, including materials and supplies with recycled content.
3. The operation of the facilities and the provision of services under this Interim Concession Contract shall be performed in a manner that prevents, identifies, and reduces pollution at the source.
  - a. The Concession Contractor shall immediately report to Reclamation any event that results in pollution or contamination adversely affecting lands, water, or facilities within the area of operation.
  - b. The Concession Contractor may not knowingly allow contamination of lands, water, or facilities within the area of operation including refuse, garbage, sewage effluent,



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- industrial/commercial waste, petroleum products, hazardous materials, containers, or any other pollutants, including, but not limited to, misuse of pesticides.
- c. No waste or by-product which contains any substance in concentrations which may result in harm to fish and wildlife, flora and fauna, water supplies, or human contact shall be discharged onto the lands or into the waters of the Federal Estate.
  - d. No goods or merchandise which are explosive, toxic or in any way hazardous shall be kept, stored or sold except those goods or materials that are customary and appropriate for carrying on routine business.
4. Machinery and apparatus shall not be used and operated in such a manner as to damage the lands or waters of the Federal Estate.
- a. The Concession Contractor shall be responsible for cleaning of all earth moving equipment, trailers, vehicles, and other equipment moving from one land site to the Glory Hole Concession Area, prior to arrival, for the prevention and spread of invasive species.
  - b. The Concession Contractor shall be responsible for the inspection and cleaning of all watercraft, vehicles, pumps, trailers, and other equipment moving from one water source to another for the prevention and spread of invasive water species.
  - c. Gasoline, oils and other petroleum products shall be stored, handled and dispensed in accordance with Federal, state and local laws, regulations and statutes.
  - d. The Concession Contractor shall be responsible for control of soil erosion in the concession area and for provision of prevention measures when such actions are required.

**B. Environmental Data, Reports, Notifications, and Approvals**

- 1. Inventory of Hazardous Substances and Inventory of Waste Streams** -The Concession Contractor shall submit to Reclamation, at least annually, an inventory of Federal Occupational Safety and Health Administration (OSHA) designated hazardous chemicals used and stored in the area of operation by the Concession Contractor. Reclamation may prohibit the use of any OSHA hazardous chemical by the Concession Contractor in operations under this Interim Concession Contract. The Concession Contractor shall obtain Reclamation's approval before using any extremely hazardous substance, as defined in the Emergency Planning and Community Right to Know Act of 1986, in operations under this Interim Concession Contract. The

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Concession Contractor shall also submit to Reclamation, at least annually, an inventory of all waste streams generated by the Concession Contractor under this Interim Concession Contract. Such inventory shall include any documents, reports, monitoring data, manifests, or other documentation required by applicable law regarding waste streams.

- 2. Reports** -The Concession Contractor shall submit to Reclamation copies of all documents, reports, monitoring data, manifests, and other documentation required under Applicable Laws to be submitted to any regulatory agencies. The Concession Contractor shall also submit to Reclamation any environmental plans for which coordination with concession area operations are necessary and appropriate, in accordance with Applicable Laws.
- 3. Notification of Releases** -The Concession Contractor shall give Reclamation immediate written notice of any discharge, release, or threatened release (as these terms are defined by Applicable Laws) within or in the vicinity of the area of operation, (whether solid, semisolid, liquid or gaseous in nature) of any hazardous or toxic substance, material, or waste of any kind, including, without limitation, building materials such as asbestos, or any contaminant, pollutant, petroleum, petroleum product, or petroleum byproduct.
- 4. Notice of Violation** -The Concession Contractor shall notify Reclamation immediately of any actual or proposed notice of violation from other regulatory agencies of any Applicable Laws arising out of the activities of the Concession Contractor, its agents, or employees.
- 5. Communication with Regulatory Agencies** -The Concession Contractor shall provide timely written advance notice to Reclamation of communications, including without limitation, meetings, audits, inspections, hearings, and other proceedings, between regulatory agencies and the Concession Contractor related to compliance with Applicable Laws concerning operations under this Interim Concession Contract. The Concession Contractor shall also provide to Reclamation any written materials prepared by the Concession Contractor for regulatory agencies in advance of any such communications, and shall provide copies of written materials received from regulatory agencies. The Concession Contractor shall allow Reclamation to participate in any such communications. The Concession Contractor shall also provide timely notice to Reclamation following any unplanned

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communications between regulatory agencies and the Concession Contractor.

- 6. Proposition 65 Public Notification** – Concession contractor shall be responsible for determining the need for Proposition 65 public warnings and the posting of such warnings in a conspicuous place within the facilities. Proposition 65 is a California law titled “Safe Drinking Water and Toxic Enforcement Act of 1986.”

**C. Corrective Action**

1. The Concession Contractor, at its sole cost and expense, shall promptly control and contain any discharge, release, or threatened release, or any threatened or actual violation, arising in connection with the Concession Contractor’s operations under this Interim Concession Contract, including, but not limited to, payment of any fines or penalties imposed by appropriate agencies. Following the prompt control or containment of any release, discharge, or violation, the Concession Contractor shall take all response actions necessary to remediate the release, discharge, or violation and to protect human health and the environment.
2. Even if not specifically required by Applicable Laws, the Concession Contractor shall comply with directives of Reclamation to cleanup or remove any materials, product, or byproducts used, handled, stored, disposed, or transported onto or into the area of operation by the Concession Contractor to ensure that the area of operation remains in good condition.

**D. Indemnification and Cost Recovery For Environmental Activities**

1. The Concession Contractor shall indemnify and hold harmless the United States in accordance with Section 6 of this Interim Concession Contract from all losses, claims, damages, environmental injuries, expenses, response costs, allegations or judgments (including, without limitation, fines, and penalties), and expenses (including, without limitation, attorneys’ fees and experts’ fees) arising out of the activities of the Concession Contractor, its employees, agents, and contractors pursuant to this section. Such indemnification shall survive termination or expiration of this Interim Concession Contract.
2. If the Concession Contractor does not promptly contain and remediate an unauthorized discharge or release arising out of the activities of the Concession Contractor, its employees, agents, and

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contractors, as set forth in this section, or correct any environmental self-assessment finding of noncompliance, in full compliance with Applicable Laws, Reclamation may, in its sole discretion and after notice to the Concession Contractor, take any such action consistent with Applicable Law as Reclamation deems necessary to abate, mitigate, remediate, or otherwise respond to such release or discharge, or take corrective action on the environmental self-assessment finding. The Concession Contractor shall be liable for and shall pay to Reclamation any costs incurred by Reclamation associated with such action, upon demand. Nothing in this section shall preclude the Concession Contractor from seeking to recover costs from a responsible third party.

3. Any intentional violation of any of the provisions of this section shall constitute grounds for initiation of the procedure for termination of the Contract as specified in Section 1.B, and shall make the Concession Contractor liable for the cost of full and complete remediation and/or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.

**E. Pest Management**

1. The Concession Contractor shall be responsible for managing weeds and other pests on all authorized land and in all facilities assigned for their use in conducting operations under the Contract. Plants and animals that are native to the area of operation may not be removed or harmed except with the prior written approval of Reclamation. The Concession Contractor shall not allow planting of any non-native vegetation by employees or visitors without advance approval from Reclamation.
2. The Concession Contractor shall not perform any application of pesticide without Reclamation approval. The Concession Contractor shall submit to Reclamation for approval, a Pesticide Use Proposal at least thirty (30) days in advance of any pesticide application. The Concession Contractor is responsible for complying with all training (Federal, State, and local), operational and licensing requirements as may be pertinent to and required for the application of pesticides within the State of California.

**F. Hazardous Materials**

1. The Concession Contractor shall maintain health and safety standards and take necessary mitigation and corrective measures to

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ensure healthy working and living environments in all assigned buildings and Improvements. The Concession Contractor shall store, handle, and use hazardous materials in a manner that protects workers from harmful exposure, minimizes the potential for spills and releases, and reduces the use of these materials to diminish the subsequent generation of hazardous waste. Hazardous materials shall be handled in accordance with OSHA 29 CFR Parts 1910 and 1926. Examples of hazardous materials requiring special management controls include asbestos, radon, and lead-based paint. The Concession Contractor shall obtain Reclamation approval before using chemicals, pesticides, and toxic materials. Applications and methods of use shall conform to applicable law, and applicable codes, policies, and guidelines.

2. **Hazardous Materials-Related Training** -The Concession Contractor shall provide training to all employees in accordance with 29 CFR 1910.120 (First Responder for Hazardous Materials Incidents) and 29 CFR 1910.1200 (Hazard Communication). The Concession Contractor shall comply with all Applicable Laws pertaining to hazardous materials.
3. **Hazardous Waste Minimization and the Use of Environmentally Preferable Products** -The Concession Contractor shall attempt to minimize the use of hazardous materials in its operations with the purpose of diminishing the amount of hazardous waste generated over time. The Concession Contractor shall seek to use less toxic materials and products that are environmentally preferable as a general means to minimize hazardous waste. If the Concession Contractor generates more than 100 kilograms per month of hazardous waste, the Concession Contractor must provide Reclamation with a Hazardous Waste Minimization Plan. To track any trends for waste generated, the Concession Contractor must provide information on all hazardous waste management (recycling and disposal) to Reclamation quarterly.

**G. Solid Waste Minimization**

The Concession Contractor shall to the extent possible minimize the solid waste stream that is a product of the operation by the exercise of Best Management Practices. The Concession Contractor shall implement a Recycling Program as referenced in Section 3.I for the purpose of minimizing the solid waste stream in accordance with California State Law.

**H. Drainage and Storm Water Pollution Prevention**

1. The Concession Contractor shall implement Best Management Practices to prevent the degradation of water quality in storm water and other runoff from facilities assigned to the Concession Contractor. Erosion controls must be implemented at construction sites with disturbed soils exposed. Vehicle and equipment washing must not be allowed to run off untreated water; oil/water separation must occur prior to discharge. Any improvements to drainage systems must be made in accordance with Applicable Laws.
2. The Concession Contractor shall ensure proper drainage control to protect landscapes, native vegetation, structures, facilities, Improvements, and equipment while maintaining natural drainage patterns to the greatest extent possible.

**I. Recycling and Conservation**

The Concession Contractor will develop a recycling and conservation program for the New Melones Lake Marina that at a minimum provides for the collection of bottles, cans and cardboard, to the satisfaction of Reclamation. A written program plan will be implemented per Section 3.A.

**J. Wastewater Treatment**

In the event of a wastewater leak or spill, Reclamation will be notified immediately. Facilities and equipment contaminated with sewage as a result of leaks, spills, and sewage system backflow will be thoroughly washed down with water and detergent as appropriate.

**K. Protection of Cultural and Archeological Resources**

Discoveries of any cultural and archeological resources by the Concession Contractor shall be promptly reported to Reclamation. The Concession Contractor shall cease work or other disturbance that may impact any protected site or archeological resource until Reclamation grants approval, upon such terms and conditions as Reclamation deems necessary, to continue such work or other disturbance.

**L. Risk Management**

The Concession Contractor shall be committed to provide a safe and healthful environment for all employees and visitors to the New Melones Lake Marina. Compliance with this clause involves, at a minimum, the incorporation of the following practices into marina operations.

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1. The Concession Contractor shall develop written procedures to identify and correct safety deficiencies and measures to ensure safety awareness and training in hazards recognition.
  - a. The Concession Contractor shall be responsible for procedures to ensure accountability and responsibility of managers, supervisors, and employees with goals and objectives to achieve a safe and healthful environment.
  - b. The Concession Contractor shall have a written safety and health policy that along with safety and health information is available to all permanent and seasonal employees.
  - c. OSHA “right to know” posters (OSHA 2203) shall be distributed to employees or posted in conspicuous locations.
  - d. Supervisors are assigned the responsibility to conduct routine safety inspections of the assigned work areas and job sites.
    - i. Inspections are conducted as required and all inspection records are kept for the term of this Interim Concession Contract.
2. Accident/incident reporting and investigation procedures shall be documented.
  - a. All accidents or incidents occurring within the concession area must be reported to the Reclamation Point of Contact within one hour of occurrence.
  - b. A written report of all accidents or incidents occurring within the concession area must be submitted to the Reclamation Point of Contact within five (5) business days.
  - c. A summary listing the total number of accidents occurring and total lost-days from injury shall be reported to Reclamation annually.
3. Safety hazards, including but not limited to resource and activity hazards (falling rocks, water hazards, rattlesnakes, rental watercraft and houseboat operation, etc.), that exist within the concession area must be effectively communicated to concession area visitors and abated as follows:
  - a. Catastrophic and Critical Danger Deficiencies must be abated immediately. Action plans for a permanent cure shall be developed and implemented within time limits established by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors.
  - b. Significant Hazard Deficiencies must be abated or action plans developed within time limits. Any such deficiencies

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- must be abated within 15 days or other reasonable time frame as established by the Concession Contractor and approved by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors.
- c. Minor Hazard Deficiencies must be abated or action plans developed within time limits established by Reclamation. Any such hazards must be abated within 45 days or a reasonable time frame as established by the Concession Contractor and approved by Reclamation. Abatement methods include correction of the deficiency or other action to reduce risk temporarily to staff and visitors.
  - d. If abatement cannot be achieved within the established timeframe, the facility or service must be closed until such time as the deficiency is corrected.
4. An emergency action plan shall be developed that identifies occurrences that will require specific procedures to be followed in the interest of life safety and property protection.
- a. Procedures shall be provided for probable occurrences (e.g., earthquakes, floods, fires, bomb threats, medical emergencies and hazardous material spills or releases).
  - b. Emergency action plans shall be coordinated with Reclamation
  - c. Emergency action plans shall be reviewed and updated annually.
  - d. Employees must be familiar with all emergency action procedures and their individual responsibilities



## **Section 4 -Land And Facilities Used In Operation**

### **A. Assignment of Land and Facilities**

Reclamation shall have the right, at any time, to enter upon the lands used by the Concession Contractor for any purpose deemed reasonably necessary for the administration of Reclamation lands or Reclamation's implementation of this Concession Contract.

Reclamation hereby authorizes the Concession Contractor to use the following lands and facilities for the purposes of this Interim Concession Contract:

1. The authorized lands are shown in Exhibit A.  
Approximately 20 acres of land and approximately 50 acres of adjacent water surface (maximum pool) described and depicted on the maps attached hereto as Exhibit A all of which are within the SE 1/4, SE 1/4, Sec. 21, T, 2 N., R, 13 E., M.D.B &M. Said lands and water surface are hereinafter referred to as the Glory Hole Concession Area.
  - a. It is understood by both parties that the boundaries of the Glory Hole Concession Area may periodically and temporarily change, expand and contract to follow the water level as the lake fluctuates. It is also understood that the Glory Hole Concession Area may include "seasonal harbors" -additional areas outside the existing boundary for use on a short term or temporary basis for winter storage of marina facilities. Any such use of areas outside the current boundaries of the Glory Hole Concession Area as shown on Exhibit A must be with prior written approval of Reclamation.
  - b. The Concession Contractor may request Reclamation approval to amend the Operating Plan for any existing Concession Contractor Improvement(s) which are affixed, anchored or moored directly upon the water surface, to be seasonally relocated to Reclamation approved "seasonal harbor".
  - c. Reclamation shall consider any such request provided the Concession Contractor meets all requirements of this Interim Concession Contract, including those pertaining to public health and safety, environmental review and resource protection, concession services, and visitor conveniences. Any change to the Operating Plan, including any seasonal adjustment, must be approved by Reclamation.

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2. Certain existing Reclamation Improvements located at Glory Hole Concession Area that the Concession Contractor may utilize during the term of this Interim Concession Contract are shown in Exhibit B. The Concession Contractor's use of authorized Reclamation Improvements is primarily intended to provide the public the Required (Base) and/or Authorized concession services and conveniences. The Concession Contractor may utilize these Reclamation Improvements for authorized purposes under this Interim Contract, consistent that such use does not interfere with any joint public use.

#### **B. Removal of Concession Contractor Improvements and Personal Property**

1. All Concession Contractor Personal Property and Concession Contractor Improvements (with the exception of any Improvements made to Reclamation Improvements) present on the Federal Estate shall be removed by the Concession Contractor prior to expiration or termination of this Interim Concession Contract, unless an Alternate Disposition Plan for specific Concession Contractor Improvements is approved in writing by Reclamation pursuant to Section 4.B.2. Such approval shall not be unreasonably withheld.
2. Alternate Disposition Plan. Concession Contractor shall provide Reclamation with an itemized listing of all Concession Contractor Improvements, including any docks or floating structures that are to remain on the Federal Estate at expiration or termination of this Interim Concession Contract, rather than being removed as required in Section 4.B.1. An initial Alternate Disposition Plan agreed to by both parties is shown in Exhibit F. The list of Concession Contractor Improvements in this plan shall be updated periodically as needed and as mutually agreed upon by both parties. The final listing of all Concession Contractor Improvements to remain shall be provided to Reclamation a minimum of 180 days prior to the expiration or termination of this Interim Concession Contract. All Concession Contractor Improvements not listed (with the exception of any Improvements made to Reclamation Improvements), and all Personal Property owned by the Concession Contractor shall remain the property of the Concession Contractor and shall be removed from the Federal Estate as specified in Section 4.B.1 and 4.D.
3. Any Concession Contractor Improvements and any Concession Contractor Personal Property not removed by the Concession Contractor consistent with Section 4.B.1 and Section 4.B.2 shall be

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deemed as abandoned property by the Concession Contractor, granting to Reclamation the applicable rights of possession, use and disposal inclusive of the following stipulations:

- a. Upon abandonment, the Concession Contractor waives right(s) to:
    - i. File a proper claim from the date that title to the abandoned property vests in Reclamation, and
    - ii. Be paid any amount realized from the disposition of the abandoned property; and/or
    - iii. If the abandoned property has been used or transferred, be paid an amount equal to the fair value of the abandoned property as of the time title vested in Reclamation.
  - b. Consistent with Applicable Laws, the Concession Contractor authorizes Reclamation, acting as the administrator, to take immediate possession of said abandoned property on the Federal Estate and determine when title to the abandoned property vests in Reclamation.
  - c. Upon possession of said abandoned property, Reclamation has the authority to use, transfer, or otherwise dispose of the abandoned property in accordance with Applicable Laws.
4. The Concession Contractor shall be responsible for the removal of Personal Property owned by others, if any such Personal Property is stored in the Concession Area or is otherwise located in the Concession Area with the approval or concurrence of the Concession Contractor prior to the expiration of the Interim Concession Contract.

**C. Rescissions of Concession Lands or Facilities Assignments**

Reclamation may rescind all or portions of the concession lands or facilities assignments identified in Section 4.A of this Interim Concession Contract at any time during the term of this Interim Concession Contract with a minimum of 30 days advance written notice, if any of the following apply:

1. Reclamation determines that rescission is necessary for Reclamation project purposes, for compliance with Applicable Laws, for the purpose of conserving, preserving, or protecting area of operation resources or for visitor enjoyment or safety.
2. Reclamation terminates this Interim Concession Contract or suspends operations in accordance with Section 1 of this Interim Concession Contract.

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3. Reclamation, in coordination with the Concession Contractor, determines that Reclamation Improvements or land assigned to the Concession Contractor are no longer necessary for the concession operation.

For any permanent rescission of concession lands or facilities assignments under 4.C.1, which both parties agree in writing to be essential for the Concession Contractor to provide the visitor services required by this Interim Concession Contract, the Parties agree that the concession contract will terminate. Any permanent rescission of concession lands or facilities assignments related to termination of this Interim Concession Contract under 4.C.2 will be treated as termination for default. For any permanent rescission of concession lands or facilities under 4.C.3, the Parties may mutually agree in writing to terminate this Interim Concession Contract.

#### **D. Concession Contractor Personal Property**

The Concession Contractor shall provide and maintain in good condition all Personal Property, including but not limited to, removable equipment, vehicles, vessels, furniture, inventory, and goods necessary for its operations under this Interim Concession Contract. Concession Contractor shall not be entitled to any reimbursement or other means of compensation for such Personal Property. All Concession Contractor Personal Property present on the Federal Estate must be removed by the Concession Contractor in accordance with section 4.B.1 and 4.B.2 of this contract.

#### **E. Utilities**

The Concession Contractor shall provide all utilities as referenced in Section 2.C and Exhibit B to perform the Required (Base) Services and Authorized services during this Interim Concession Contract.

#### **F. Maintenance Obligation**

The Concession Contractor shall be solely responsible for the day-to-day physical maintenance, repairs, housekeeping, and grounds keeping, for all concession facilities used in operations under this Interim Concession Contract, to the satisfaction of Reclamation.

#### **G. Animals**

The Concession Contractor is allowed to accommodate clients and visitors with domestic pets in accordance with County Ordinances. To protect the health and safety of the animals, employees, and visitors, animals will not be allowed to freely roam the area of operation or the Federal Estate. The Concession Contractor shall inform all visitors of their responsibility for the clean-up of pet waste.

#### **H. Condition of Concession Area Upon Contract Closeout**

On or before the expiration or termination date of the Interim Concession Contract, the Concession Contractor shall remove or alternately dispose of all Concession Contractor Improvements (with the exception of any Improvements made to Reclamation Improvements) and Concession Contractor Personal Property as per Section 4.B.1 and Section 4.B.2, and shall leave the portions of the Glory Hole Concession Area which it formerly accessed, used or occupied in a clean, safe, and orderly condition to the satisfaction of Reclamation. For the purposes of this Interim Concession Contract, a “clean, safe, and orderly condition” means the following: All concession-generated debris, trash, rubbish and litter have been removed.

- Any hazardous materials and/or contaminated soil have been removed in accordance with Applicable Laws.
- Areas of erosion caused by concession-activities or facilities have been repaired in accordance with Applicable Laws.
- All remaining Concession Contractor Improvements intended to be abandoned are left in an intact state, with all appurtenances and components present and usable.
- All remaining Concession Contractor Improvements intended to be abandoned are prepared for non-use, such that they are left in a condition which is safe for public and Reclamation access. This may include but is not limited to the following types of activities:
  - nesting of floating structures in a single location;
  - securing of fenced compounds, buildings, water tanks and other structures (with keys provided to Reclamation);
  - locking of utility boxes and shutdown of power (with keys provided to Reclamation); and
  - remediation of remaining safety hazards, through the use of barriers, signs or other means acceptable to Reclamation.

## **Section 5 –Fees and Benefits**

### **A. Occupancy and Franchise Fees**

The Occupancy Fee, Franchise Fee and other returns and benefits due will be for the term of this Interim Concession Contract. The fees and benefits is a return to the Federal Government and is a fair and equitable charge levied by Reclamation for the use, rights, and privileges granted under this Interim Concession Contract, and shall be remitted in a timely fashion to a designated Reclamation lock box to the U.S. Treasury for disposition.

1. This Interim Concession Contract affords Reclamation the following returns and benefits:
  - a. Direct Returns:
    - i. Occupancy Fee -\$1,000 annually, and
    - ii. Franchise Fee -\$0.02 per gallon of motor fuel sold by the Concession Contractor and 4% of gross sales after \$192,000 has been deposited into a RAFI Account.
  - b. Indirect Benefits:
    - i. The Concession Contractor providing fire protection at the marina including the use of a fire boat for public emergency services on the lake; and
    - ii. The Concession Contractor providing year-round pump-out and transport of sewage from floating restrooms as provided in this Interim Concession Contract.

### **B. Payments Due**

1. The Concession Contractor shall pay to Reclamation each year during the remainder of the term of the Concession Agreement the annual Occupancy Fee and quarterly Franchise Fee described below and shall deposit these fees directly to the US Treasury Lockbox and provide Reclamation's New Melones office with a copy of each Franchise Fee and Occupancy Fee report.
2. Occupancy Fee. By December 31 of each year, the Concession Contractor shall pay to Reclamation an annual Occupancy Fee of one thousand dollars (\$1,000). If the Concession Agreement is terminated before December 31 of any year, for which the annual Occupancy Fee has been paid, proportionate refund, as conclusively determined by Reclamation, of such annual payment shall be made, unless Reclamation terminates the Concession Agreement per the terms of section 1.B of this Interim Concession Contract. In the event of termination, no refund shall be made.

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3. Franchise Fee. The following payments shall be made within forty-five (45) days after the end of each annual quarter.
  - a. A payment equal to \$0.02 per gallon of motor fuel sold by the Concession Contractor in the area administered by the Concession Contractor.
  - b. A payment of 4% of gross sales, excluding fuel sales and state and local licenses, after \$192,000 has been deposited into a RAFI Account as described in Section 5.C.

**C. RAFI Account**

1. The Parties agree that commencing on January 1, 2013 the Concession Contractor shall continue to manage the existing interest-bearing banking account established in the Prior Concession Agreement as a RAFI account in accordance with Exhibit C. Beginning in 2013, within forty-five (45) days after the end of each annual quarter, the Concession Contractor shall deposit 4% of gross sales, excluding fuel sales and state and local licenses, into the RAFI account until a total of \$192,000 has been deposited.
2. For the purposes of this Interim Concession Contract, the principal purpose of the RAFI is to make funds systematically available to improve, rehabilitate or construct Concession Contractor Improvements to directly support Required (Base) Services and Authorized Services provided by the Concession Contractor, and also to demolish and remove old Concession Contractor Improvements and perform site restoration.
3. The Concession Contractor shall maintain future deposits and expend funds to be used to carry out specific RAFI projects as requested by the Concession Contractor or required by Reclamation to maintain Required (Base) Services and Authorized Services throughout the term of this Interim Concession Contract.
4. The Concession Contractor shall carry out said projects as approved or directed by Reclamation to maintain Required (Base) Services and Authorized Services, to protect public health and safety, to provide for environmental compliance and to satisfy the provisions of this Interim Concession Contract throughout its term.
5. The balance in the RAFI account shall be available exclusively for funding said projects in accordance with the RAFI's purpose as stated above. Said projects shall be authorized by Reclamation under this Interim Concession Contract and in accordance with paragraphs C., F., and G. in Exhibit C of Reclamation's Concession

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Management Guidelines, dated April 2005. Said projects shall be documented and executed as an addendum to the Operating Plan.

6. All money deposited in the RAFI account, and all the interest accruing on such deposits, shall be expended by the Concession Contractor, only with Reclamation's advance written approval, and only to perform said projects to improve, rehabilitate, construct, demolish or remove Concession Contractor Improvements and perform related site restoration activities.
7. For all expenditures made for each project from the RAFI, the Concession Contractor shall maintain auditable records including invoices, billings, canceled checks, and other documentation satisfactory to the Reclamation. Failure to expend RAFI funds when directed and as scheduled by the Reclamation shall be considered a material breach of this concession contract for which the Reclamation may seek monetary damages and other legal relief including, without limitation, termination of the Concession Agreement.
8. Nothing in this section shall lessen the responsibility of the Concession Contractor to carry out the maintenance and repair of Concession Contractor Improvements or housekeeping and grounds-keeping activities as required by the Interim Concession Contract from the Concession Contractor's funds exclusive of the funds contained in the RAFI account.
9. Concession Contractor shall submit to Reclamation for approval as an addendum to the Operating Plan, within 120 days of execution of this Interim Concession Contract, a draft plan and schedule for funding and implementing said RAFI projects in accordance with the RAFI's purpose to occur over the duration of this Interim Concession Contract. Within this plan Concession Contractor shall provide the following:
  - a. Identify any new, replacement or temporary Concession Contractor Improvements inclusive of construction required within the term of this Interim Concession Contract to maintain Required (Base) and Authorized services of this Interim Concession Contract.
  - b. Any planned, repair, maintenance and/or replacement of existing Concession Contractor Improvements required within the term of this Interim Concession Contract to maintain Required (Base) and Authorized services of this Interim Concession Contract.
  - c. Any planned demolition, removal and remediation of existing Concession Contractor Improvements required to



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maintain Required (Base) Services and Authorized Services and to meet terms of expiration and termination outlined within this Interim Concession Contract.

- d. A project timeline for each specific project to fully execute each project within the term of this Interim Concession Contract inclusive of phases for:
  - 1. Planning, design and Reclamation approval to proceed.
  - 2. Execution, implementation and/or construction.
  - 3. Demolition, removal, remediation or abandonment.

10. Reclamation shall have final authority to approve all new, replacement or temporary Concession Contractor Improvements and all renovation, major repairs, demolition, removal and remediation of existing Concession Contractor Improvements. No specific project may commence and no associated expenditures may be made until the Concession Contractor receives written approval or direction from Reclamation.

- a. Each month, the Concession Contractor shall submit monthly “RAFI” activity reports to Reclamation. Each year, included in its annual financial report submitted to Reclamation, the Concession Contractor shall submit a reserve account annual reconciliation detailed in Exhibit E.
- b. The Concession Contractor may estimate its gross receipts and deposit the estimated amount up to one year in advance of the due date. If the Concession Contractor chooses to estimate its gross receipts, the Concession Contractor shall be responsible for depositing any amount that it underestimates in the RAFI account by the due date. If the Concession Contractor overestimates its required deposit, the excess amount that the Concession Contractor deposited into the RAFI account shall be credited toward the Concession Contractor's required deposit for the following month(s).
- c. On or before the 25th day of each month, the Concession Contractor shall present to Reclamation a written statement specifying the amount of funds deposited into and withdrawn from the RAFI account and the then-current balance in that account as of the end of the prior month.
- d. When the Concession Agreement expires or is terminated, any unexpended RAFI funds shall become the property of the Concession Contractor except for the amount necessary to pay for approved or otherwise Reclamation-required RAFI projects previously identified for completion by the

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date of contract expiration or termination that have not been accomplished.

**D. Interest and Penalty**

An interest charge and penalty will be assessed on overdue amounts for each quarter, or portion thereof, that payment is delayed beyond the 45 day period provided for in Section 5.B.3. The percent of interest charged will be equal to the current value of funds rate to the U.S. Treasury as published annually in the Federal Register by the U.S. Treasury. In addition, an administrative charge of \$53.00 and a penalty charge of 6% per annum will be assessed after any payment is 90 days delinquent. If the Concession Contractor fails to submit quarterly financial reports within 45 days of quarter end, an estimate of revenue due to the U.S. Government will be developed and a bill for collection will be sent to the Concession Contractor. Unless full payment is received within 90 days from the due date specified in the Interim Concession Contract, Concession Contractor will be in breach of the Interim Concession Contract and the Interim Concession Contract may be terminated consistent with the terms in Section 1.B.

## **Section 6 -Indemnification And Insurance**

### **A. Indemnification**

The Concession Contractor agrees to assume liability for and does hereby agree to save, hold harmless, protect, defend, and indemnify the United States of America, its agents, and employees from and against any and all liabilities, obligations, losses, damages or judgments, including but not limited to, penalties and fines, claims, actions, suits, costs and expenses, (including but not limited to, attorneys' fees and experts' fees) of any kind and nature whatsoever on account of fire or other peril, bodily injury, death or property damage, or claims for bodily injury, death or property damage of any nature whatsoever, and by whomsoever made, in any way connected with or arising out of the activities of the Concession Contractor, its employees, agents, subcontractors, or contractors under this Interim Concession Contract. This indemnification shall survive the termination, bankruptcy, or expiration of this Interim Concession Contract.

### **B. Insurance in General**

The Concession Contractor will provide proof of insurance for New Melones Lake Marina at amounts subject to the approval of Reclamation.

Reclamation will not be responsible for any omissions or inadequacies of insurance coverage and amounts in the event the insurance purchased by the Concession Contractor proves to be inadequate or otherwise insufficient for any reason whatsoever.

### **C. Certificate of Insurance and Certificate of Endorsement**

At the request of Reclamation, the Concession Contractor shall, at the time insurance is first purchased and annually thereafter, provide Reclamation with a Certificate of Insurance that accurately details the conditions of the policy as evidence of compliance with this section. The Concession Contractor shall provide Reclamation immediate written notice of any material change in the Concession Contractor's insurance program hereunder, including without limitation, cancellation of any required insurance coverage. Furthermore the Concession Contractor will provide Reclamation with a Certificate of Insurance and Certificate of Endorsement (COE) through the insurance company. Their COE will provide Reclamation with early notice of policy change or cancellation. Reclamation will be an "additional Named Insured" on all insurance policies.

### **D. Commercial Public Liability**

The Concession Contractor shall provide commercial general liability insurance against claims arising out of or resulting from the acts or

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**Section 6 -Indemnification And Insurance**

omissions of the Concession Contractor or its employees, agents or contractors, in carrying out the activities and operations required or authorized under this Interim Concession Contract. This insurance shall be in the amount of \$1,000,000 each occurrence and an aggregate amount commensurate with the degree of risk and the scope and size of the activities required or authorized under this Interim Concession Contract. All liability policies shall specify that the insurance company shall have no right of subrogation against the United States of America and shall provide that the United States of America is named an additional insured.

**E. Property Insurance**

In the event of damage or destruction, the Concession Contractor will repair or replace those concession facilities and personal property utilized by the Concession Contractor in the performance of the Concession Contractor's obligations under this Interim Concession Contract.

For this purpose, the Concession Contractor shall provide fire and extended insurance coverage on concession facilities for all or part of their replacement cost in amounts no less than required during the term of the Contract.

Commercial property insurance shall provide for the Concession Contractor and the United States of America to be named insured as their interests may appear.

In the event of loss, the Concession Contractor shall declare to Reclamation and use all proceeds of such insurance to repair, rebuild, restore, or replace concession facilities and/or personal property utilized in the Concession Contractor's operations under this Interim Concession Contract as directed by Reclamation. The Concession Contractor shall not be relieved of its obligations because insurance proceeds are not sufficient to repair or replace damaged or destroyed property.

## **Section 7 -Accounting Records And Reports**

### **A. Annual Financial Reports And Accounting System**

The Concession Contractor shall maintain a financial accounting system under which its accounts can be readily identified with its system of accounts classification. Such an accounting system shall be capable of providing the information required by this Interim Concession Contract. The Concession Contractor's system of accounts classification shall use, without exception and without modification unless approved by Reclamation, the Concession Contractor annual financial reports provided in Exhibit G to this Interim Concession Contract.

The Concession Contractor shall follow Generally Accepted Accounting Principles in recording financial transactions and in reporting results to the authorized officer. The minimum acceptable accounting system shall include:

1. Systematic internal controls and recording by kind of business the gross receipts derived from all sources of business conducted under this authorization. Receipts should be recorded daily, and if possible, deposited into a bank account without reduction by disbursements. Receipt entries shall be supported by source documents such as cash register tapes, sale invoices, rental records, and cash accounts from other sources.
2. A permanent record of investments in facilities including a depreciation schedule and current source documents for the acquisition costs of capital items.
3. Preparation and maintenance of such special records and accounts as may be specified by the authorized officer.
4. Bank accounts will be maintained separately for the businesses conducted under this permit and not commingled with those for other businesses of the Concession Contractor.
5. The holder shall retain the above records and keep them available for audit for 5 years after the end of the year involved.

The Concession Contractor must use the accrual accounting method. If annual Gross Revenues do not exceed \$250,000, the Concession Contractor's financial statements and Annual Financial Reports may be prepared and submitted without a review or audit opinion of a licensed certified public accountant (CPA), unless otherwise directed by Reclamation.

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#### **Section 7 -Accounting Records And Reports**

If the annual Gross Revenues of the Concession Contractor exceed \$1,000,000, the required AFR Schedules and financial statements must be audited by an independent CPA in accordance with the standards and procedures as are applicable for the year of the audit promulgated by the American Institute of Certified Public Accountants (AICPA).

If annual Gross Revenues exceed \$250,000 but not \$1,000,000, the required AFR Schedules and any financial statements must be reviewed by a licensed CPA in accordance with the standards and procedures as are applicable for the year of the review promulgated by the AICPA.

In computing net profits for any purposes of this Concession Contract, the Concession Contractor shall keep its accounts in such manner that there can be no diversion or concealment of profits or expenses in the operations authorized under this Interim Concession Contract. This includes but is not limited to arrangements for the procurement of equipment, merchandise, supplies, or services from sources controlled by or under common ownership with the Concession Contractor or by any other device including, but not limited to, management fees.

The Concession Contractor shall submit annually, as soon as possible but not later than 120 days after the last day of its fiscal year, a financial statement for the preceding fiscal year or portion of a year, as prescribed by Reclamation in the Financial Report in Exhibit G.

#### **B. Balance Sheet**

Within 90 days after the effective date of this Interim Concession Contract, the Concession Contractor shall submit to Reclamation a balance sheet (Exhibit G) as of the beginning date of the term of this Interim Concession Contract. The balance sheet shall be audited or reviewed annually, as determined by the annual gross receipts, by a licensed CPA. The balance sheet shall be accompanied by a schedule as shown that identifies and provides details for all capital Improvements. The schedule must describe these capital Improvements in detail and show, for each such capital improvement, the date acquired, constructed, or installed and a separate itemization of labor costs and equipment costs, without alteration and without modification, as provided in Exhibit G except as authorized by Reclamation.

## **Section 8 –General Provisions**

### **A. Access to Records**

The United States Government, or any of their duly authorized representatives, shall have access to the records of the Concession Contractor as provided by the terms of Applicable Laws. For the purpose of administering this Concession Contract (including ascertaining that fees paid were correct and evaluating the propriety of the fee base), the Concession Contractor agrees to make all of the financial records and supporting documents to the business activities available for analysis by qualified representatives of the Bureau of Reclamation. Financial information so obtained shall be treated as confidential to the extent allowable by law.

### **B. Public Release of Information**

Information submitted to Reclamation by the Concession Contractor pursuant to this Concession Contract is subject to public release by Reclamation to the extent provided by Applicable Laws.

### **C. No Sub-Concessions**

Sub-concessions or other third party agreements, including management agreements, for the provision of visitor services required under this Concession Contract are not permitted.

### **D. Non-Entitlement for Federal Procurement Process or Service**

The Concession Contractor is not entitled to be awarded or to have negotiating rights to any Federal procurement or service contract by virtue of any provision of this Concession Contract.

### **E. Payment of Taxes**

All taxes or assessments of any nature that may be lawfully imposed by any State or its political subdivisions upon the property or business of the Concession Contractor shall be paid promptly by the Concession Contractor.

### **F. Political Influence and Conflict Of Interest**

No member or employee of the judicial, legislative, or executive branches of the United States Government shall be admitted to any share or part of this Concession Contract or to any benefit that may arise from this Concession Contract, but this restriction shall not be construed to extend to this Concession Contract if made with a corporation or company for its general benefit.

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**G. Ebarment and Suspension**

This Concession Contract is subject to the provisions of 43 CFR; Subtitles A and B, concerning non-procurement debarment and suspension. Reclamation may recommend that the Concession Contractor be debarred or suspended in accordance with the requirements and procedures described in those regulations as they are in effect now or may be revised in the future.

**H. Amendments**

This Concession Contract contains the sole and entire agreement of the parties. No oral representations of any nature form the basis of or may amend this Concession Contract. This Concession Contract may be amended only in very unusual circumstances when agreed to in writing by Reclamation and the Concession Contractor.

**I. Third Parties**

This Concession Contract does not grant rights or benefits of any nature to any third party.

**J. Validity of Provisions**

The invalidity of a specific provision of this Concession Contract shall not affect the validity of the remaining provisions of this Concession Contract.

**K. Waivers**

A waiver of any term of this Concession Contract or the waiver of any breach of any of the terms of this Concession Contract shall not be deemed a waiver or elimination of such terms or of any subsequent breach of the same type or of any other term of the Concession Contract. The subsequent acceptance of any payment of money or other performance required by this Concession Contract shall not be deemed to be a waiver of any preceding breach of any term of the Concession Contract.

**L. Corruption and Fraud**

Claims against Reclamation (to the extent subject to 28 U.S.C. 2514) arising from this Concession Contract shall be forfeited to Reclamation by any person who corruptly practices or attempts to practice any fraud against the United States in the proof, statement, establishment, or allowance thereof within the meaning of 28 U.S.C. 2514.

**M. The Anti-Deficiency Act**

The expenditure or advance of any money or the performance of any obligation of the United States under this contract shall be contingent upon appropriation or allotment of funds. Absence of appropriation or allotment of funds shall not relieve the Concession Contractor from any obligations



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under this contract. No liability shall accrue to the United States in case funds are not appropriated or allotted.

**N. Laws Subject to Change**

Applicable Laws, including Reclamation Directives and Standards, are subject to change over the term of this contract. Reclamation and the Concession Contractor will conform their actions to any changes as they occur.

**O. Required Reports, Documents, and Data**

The Concession Contractor shall supply to Reclamation all reports, documents, and data required by this Concession Contract in accordance with Reclamation Manual Policy and Directives and Standards.

**P. Correspondence Procedures**

All correspondence and notices required by this Concession Contract shall be in writing and shall be served on the parties at the following addresses. The mailing of a notice by registered or certified mail, return receipt requested, shall be sufficient service. Notices sent to Reclamation and the Concession Contractor shall be sent to the following address:

Site Name:	Central California Area Office
Address:	New Melones Lake
Attention:	7794 Folsom Dam Road, Folsom, CA 95630
	Area Manager
Concession Contractor:	Shasta Lake Resorts
Address:	340 S. Fairmont, Lodi, CA 95240
Attention:	David M. Smith

**Q. Severability**

Each provision of this Contract shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Contract shall be deemed or determined by competent authority to be invalid or prohibited hereunder, such provision shall be ineffective and void only to the extent of such invalidity or prohibition, but shall not be deemed ineffective or invalid as to the remainder of such provision or any other remaining provisions, or of the use authorization as a whole.

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<b>IN WITNESS WHEREOF</b> , the duly authorized representatives of the parties have executed this <b>INTERIM CONCESSION CONTRACT</b> as of the <u>27<sup>th</sup></u> day of <u>November</u> <u>2012</u> .	
<b>UNITED STATES OF AMERICA</b>	<b>CONCESSION CONTRACTOR</b>
By: 	By: 
Contracting Officer, Bureau of Reclamation	
	Title
<b>Exhibits to the Contract</b>	
Exhibit A	Area of Operation and Assigned Land
Exhibit B	Provision of Marina Services
Exhibit C	RAFI
Exhibit D	Concession Management Policy LND P02, Directives & Standards LND 04-01 and Concession Management Guidelines
Exhibit E	Operating Plan
Exhibit F	Alternate Disposition Plan
Exhibit G	Annual Financial Report

Figure 7.20 - 1: Concession Contract Signature Page

## Exhibit A

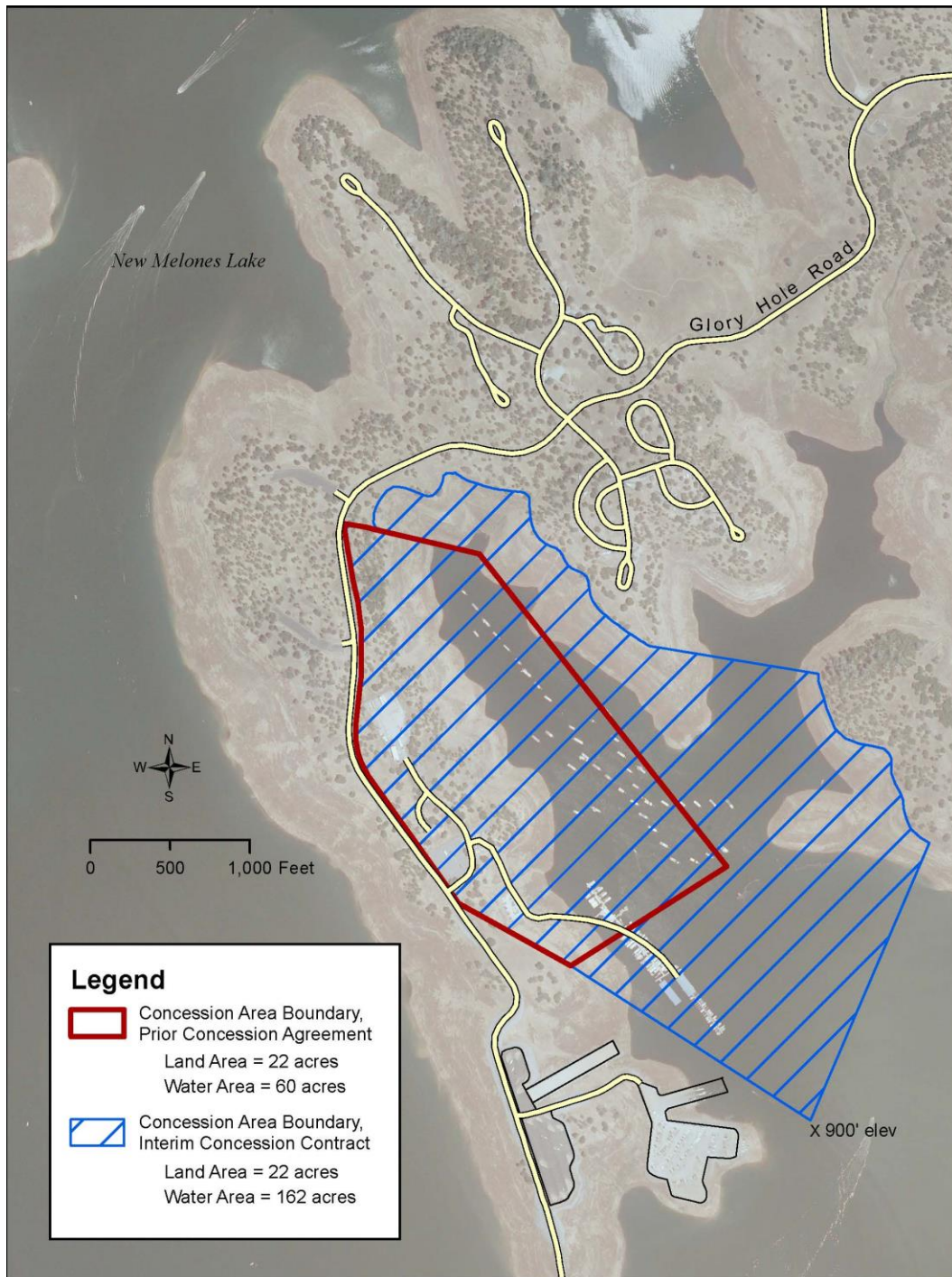


Figure 7.20 - 2: Area of Operation and Assigned Land

## **Exhibit B**

### **New Melones Lake Marina Services To Be Provided**

1. Concession Contractor Improvements.  
 The Concession Contractor shall, at no cost to Reclamation, construct, operate and maintain all Concession Contractor Improvements, facilities, conveniences, utilities, landscaping and services within the concession area in order to provide the Required (Base) and Authorized Services as described below and in Section 2 of the Interim Concession Contract.

Table 7.20 - 1: Landside Physical Facilities, Infrastructure, Utilities and Landscaping

<b>Location of Services</b>	<b>Type of Services or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Specifications and References to Prior Concession agreement</b>
Primary Entrances and Main Artery Areas	Primary, Intermediate Access Roads and Paved Parking	Maintain existing 22-foot-wide, two-lane, paved main access road from the primary access road, adjacent to New Melones Lake Marina, to paved parking areas. Maintain paved parking areas.		Access road to Maintenance Yard all weather accessible ; not paved -Parking for up to 97 vehicles
Primary Entrances and Main Artery Areas	Existing Maintenance and Dry Storage Yard	Maintain existing maintenance and dry storage yard with fencing, not exceeding 8 feet in height.		Yard shall be used for storage of Concession Contractor's maintenance equipment, inventory, rental boats, boat trailers and other equipment and facilities needed for operation and maintenance of the concession area.

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<b>Location of Services</b>	<b>Type of Services or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Specifications and References to Prior Concession agreement</b>
Primary Entrances and Main Artery Areas	Maintenance storeroom, shop and garage (1 each)	Maintain and operate existing structures consistent with Applicable Laws, safety and health guidelines.		
Primary Entrances and Main Artery Areas	Public Restrooms	Maintain and operate public restrooms		Two unisex ADA portable toilets adjacent to the parking area -Two flush toilets for the women's restroom and one toilet and one urinal for the men's restroom in the moorage area
Primary Entrances and Main Artery Areas	Informational signs	Provide and maintain informational signs in accordance with Reclamation sign manual		Notice to prohibit trash/sewage dumping in the lake shall be posted -Notice to prohibit fishing & swimming -Notice to require use of only biodegradable wastewater treatment products -Other notices as directed by Reclamation
Primary Entrances and Main Artery Areas	Surface drainage facilities	Facilities adequate to regulate surface water drainage to avoid erosion and pollution discharge into the reservoir and lands within and adjacent to the concession area.		As needed/required
Primary Entrances and Main Artery Areas	Utilities - Electrical	Underground power lines. Outlets for power to be obtained from 120/240-v power distribution lines		Electric Power— located adjacent to the access road near the northern boundary of the concession area.

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<b>Location of Services</b>	<b>Type of Services or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Specifications and References to Prior Concession agreement</b>
Primary Entrances and Main Artery Areas	Utilities - Electrical	Safety/security lighting (roadways, parking). Lighting adequate for safety and security shall be provided for all safety markers, roadways, parking lots, storage yards, and other general public use areas.		Lighting shall be designed so that illumination will not intrude on other public facilities at the lake.
Primary Entrances and Main Artery Areas	Utilities -Water	Water Supply Facilities adequate to supply and treat, as required, water from the existing well and/or diverted from New Melones Lake or elsewhere as approved by Reclamation		Water to be provided for fire protection, ground maintenance, and the provision of potable water.
Primary Entrances and Main Artery Areas	Utilities - Sewage	Sewage collection and discharge. Facilities adequate to dispose of sewage discharge from houseboats, toilets, food service and other buildings within the concession-area and connected to a sewage sump of not less than 5,000-gallon capacity.		A wastewater treatment plant located in the Glory Hole Recreation Area, as identified in the New Melones Lake Area Resource Management Plan, is available to the Concession Contractor for disposal of sewage, subject to compliance with all current and future Waste Discharge Permit requirements and as directed by the Resource Manager.

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Table 7.20 - 2: Waterside Physical Facilities, Infrastructure, Utilities and Landscaping

<b>Location of Services</b>	<b>Type of Services or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Specifications and References to Prior Concession agreement</b>
Water Access and Dockage Related Infrastructure	Boat Launching	1 Multi-lane Launch Ramp with Parking		Concession Contractor may utilize existing public boat launch ramp at Glory Hole Point to launch Concession Contractor's boats and customer boats. Parking for concession customers to be supplied by Concession Contractor within the concession area.
Water Access and Dockage Related Infrastructure	Boat Storage	Wet Slips (Private houseboats and Overnight Occupancy Vessels)		38 private houseboat slips
Water Access and Dockage Related Infrastructure	Boat Storage	Wet Slips (Rental houseboats and Overnight Occupancy Vessels)		8 rental houseboat slips and head space for an additional 10 rental houseboats
Water Access and Dockage Related Infrastructure	Boat Storage	Wet Slips		56 Covered slips, 44 Open slips
Water Access and Dockage Related Infrastructure	Boat Storage	Wet Slips (Reclamation use) Connect Reclamation supplied boat garage with power and readily accessible 24 hours per day		Space equivalent to 2 slips
Water Access and Dockage Related Infrastructure	Boat Storage	Moorage (houseboats and multiday use boats)		50 houseboat mooring balls
Water Access and Dockage Related Infrastructure	Dockage	Courtesy docks		For access to retail store, gas, sewage disposal and propane services.

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<b>Location of Services</b>	<b>Type of Services or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Specifications and References to Prior Concession agreement</b>
Water Access and Dockage Related Infrastructure	Dockage	Gangway ramps and docks – moorage area		Access gangway not less than 6' in width, with railings, ADA compliant Must accommodate lake fluctuations
Waterside Related Infrastructure	Utilities - Electrical	Outlets for power to be obtained by the Concession Contractor shall be available to all boat slips to service small battery chargers (up to 10 amps), small tools, radios, etc.,		One electrical outlet box on each set of houseboat slips One electrical outlet box on each set of small boat open and covered slips All electrical distribution lines within the concession area above elevation 1,088 ft MSL shall be installed underground.
Waterside Related Infrastructure	Utilities - Lighting	Lighting adequate for safety and security shall be provided for all piers, docks, lifts, navigation aids, safety markers, Lighting shall be designed so that illumination will not intrude on other public facilities at the lake.		
Waterside Related Infrastructure	Utilities - Year round Sewage	Black and Grey water sewage pump out service Pump out sewage from 4 floating restrooms owned by Reclamation.		Service levels may be adjusted to meet seasonal demand upon written approval by Reclamation.
Waterside Related Infrastructure	Utilities – Consumables Storage	Gasoline Storage minimum 10,000 gallons Propane minimum 500 gallons		Gasoline Storage tanks and supply infrastructure terrestrially located to efficiently and safely serve dockside fuel dispensers. Propane tank mounted on floating platform; Must comply with current State & Federal environmental laws and regulations; Service levels, means and methods may be adjusted to meet seasonal demand upon written approval by Reclamation



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<b>Location of Services</b>	<b>Type of Services or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Specifications and References to Prior Concession agreement</b>
Waterside Related	Utilities - Telephone	Provide telephone and/or telephone access for public health and safety and convenience		Public telephone near moorage area
Waterside Related Infrastructure	Facilities – Convenience Retail Store	One convenience retail store for providing customer service and public point of contact for health and safety, marketing and purchasing of typical consumables and services		Concession Contractor Consumables – provide groceries, sundries, food service, gas, oil, tackle, bait, and propane (500gallon minimum storage) to the public. Customer Services – Provide information and customer service for boat and equipment rentals, slip and moorage rentals, waitlists. Service levels, means and methods may be adjusted to meet seasonal demand upon written approval by Reclamation
Waterside Related Infrastructure	Fire Protection	Fire Boat, boat garage, equipment, training, fuel, and foam protection units as required by MOU		Concession Contractor providing a covered mooring, and maintenance of the Fire boat for use by Altaville-Melones Fire Protection District in exchange for Fire Protection of the marina.
Boating and Marina Services	Boat Rentals	Rental houseboats, maximum of 18 units, 15'x 65' feet x 10' about deck Small motor boat rentals, minimum of 20. Shall maintain a waiting list for boat mooring balls and slips		

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Table 7.20 - 3: Public Services and Conveniences.

<b>Location of Services</b>	<b>Type of Services or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Specifications and References to Prior Concession agreement</b>
All	Health and Safety Practices - Prohibitions	Prohibition of the following activities for protection of public health and safety: - Prohibit swimming within the marina. -Prohibit use of non-biodegradable products in rental houseboats and private houseboats renting wet slips.		
All	Health and Safety Practices - Requirements	Provide the following services or conveniences for public health, safety and convenience: Employ health and safety practices. Marina staffed in accordance with approved Operating Plan. Employees adhere to employee standards. Provide clean and sanitary facilities. Provide security resources. Public first aid kit available in store. Public telephone near marina		
Boating and Marina Services	Authorized Services		May Provide the following services for public convenience	May sell alcoholic beverages. May provide houseboat launching/retrieval services for a fee approved by Reclamation. May provide Disabled Vessel Towing Service for a fee approved by Reclamation. May provide fee-based minor maintenance and repair service for private houseboat and small boats

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2. Reclamation Improvements.

The Concession Contractor shall, at no cost to Reclamation, provide, operate and maintain all required services and conveniences within the concession area including the following Reclamation Improvements assigned for use during the Interim Concession Contract period. Reclamation Improvements remain the property of Reclamation throughout the term of this Interim Concession Contract and may not be altered or removed without advance written permission from Reclamation. Reclamation Improvements which sustain damage due to actions by the Concession Contractor or its agents will be promptly repaired or replaced at the expense of the Concession Contractor.

Table 7.20 - 4: Reclamation Improvements

<b>Location of Services</b>	<b>Owner of Service or Facility</b>	<b>Required (Base) Services Minimum Quantity or Standard</b>	<b>Authorized Services</b>	<b>Comments</b>
Landside Related Infrastructure – Dry Storage Yard	Reclamation	One 35,000 gallon poly plastic water storage tank, including fittings and connections to water delivery system.	Not Applicable	Storage for water supply, fire suppression or emergency use by either Reclamation or the Concession Contractor.
Landside Related Infrastructure – Dry Storage Yard	Reclamation	Hydrostatic water pressure system. Includes 100 gallon tank with all lines switches, electrical support, motor and pump	Not Applicable	Water supply pressure system for use by Reclamation as backup to regular water supply system and the Concession Contractor for concession operations
Landside Related Infrastructure located adjacent to small parking lot.	Reclamation	54 KVV Electrical 3 Phase Transformer Serial #1-07-M-261430 CAT #9180-435412-085	Not Applicable	Electrical transformer for the supply of electrical power for use by Reclamation as needed and Concession Contractor operations.

## **Exhibit C**

### **Reserve Account For Facilities Improvement**

#### **A. Introduction**

This exhibit concerns the use of the RAFI funds. Funds set aside in a RAFI are referred to as RAFI funds. The source of these funds is established in the main body of the concession contract, section 5. In the event of any inconsistency between this exhibit C and the main body of the concession contract, the main body of the concession contract shall prevail.

#### **B. Policy for Use of The Reserve Account for Facilities Improvement**

The concession contract includes specific provisions establishing a RAFI and describes its purpose or principal goals. The account is needed to make funds systematically available for the ongoing improvement, construction, and renovation of concession facilities, specifically, significant nonrecurring capital improvement projects. The RAFI allows reserves to be set aside for known requirements even while exact projects, construction timing, and planning are not yet resolved.

The RAFI shall be used to improve, rehabilitate, or construct facilities that are Government or concessionaire funded and assigned to the concessionaire to directly support concessionaire services authorized or required under this concession contract.

#### **C. Appropriate Facilities**

RAFI funds may be used only to fund concessionaire visitor service and concession facility projects constructed on Federal estate lands assigned to the concessionaire for use in maintaining the visitor services and concession facilities authorized by the concession contract. Expenditures for projects on other lands or for other purposes are a violation of the concession contract and unlawful. The RAFI projects, as established in this concession contract, are considered concession contract obligations.

Examples of appropriate facilities would include marinas, marina slips, marine fuel service facilities, campground pads and utilities, trailer and recreational vehicle pads, lodging, restaurants, gift shops or service stations, as well as support facilities necessary for the functioning of the concession's primary visitor facilities such as utility systems, administrative offices, and repair shops.

**D. Account Instruments and Ownership**

RAFI funds can be invested in various instruments in advance of being used to carry out the concessionaire's obligations under the concession contract. The parties to this concession contract agree that RAFI funds that have yet to be disbursed shall be either held in an account insured by the Federal Deposit Insurance Corporation or a similar insuring entity of the Federal Government, and/or all investment instruments, which shall be notes, bills, and bonds issued by the United States Treasury, that will be whole instruments including both principal and interest (no derivative instruments) and shall be directly backed by the full faith and credit of the United States of America.

The funds in the RAFI will be held in accounts established and owned by the concessionaire to carry out concessionaire obligations under this concession contract. Trust and escrow accounts are not permissible. The concessionaire makes an irreversible commitment when deposits are made into a RAFI. Deposited funds do not become Government funds. Interest earned on RAFI funds becomes RAFI funds. The concessionaire is responsible for taxes owed on such interest. RAFI funds cannot be used to pay such taxes.

**E. Account Reporting**

RAFI funds must be maintained in a separate account, with record keeping used to maintain continuous records of the balance as well as deposits to the account and disbursements from the account. Concessionaires are responsible for reporting RAFI activity as required by the Secretary and described in Section 8 – Accounting Records and Reports, in the main body of the concession contract and in Exhibit J: Financial Reporting Forms.

The monthly RAFI activity report shall be received by the Secretary within 15 days after the last day of each month that the concessionaire operates. The concessionaire is required to follow the monthly RAFI activity report form in this exhibit C without alteration and without modifications.

**F. Account Expenditures That Are Not Appropriate**

RAFI funds shall not be used for the operating costs of building systems or for minor adjustment and repair that would be the usual, routine responsibility of the concessionaire. RAFI funds shall not be used for cyclic maintenance projects with a normal recurrence interval of less than 7 years.

Additionally, RAFI funds are not to be used for maintenance of, or improvements to, Government property not assigned to the concessionaire,

## **New Melones Lake Concession Prospectus**

### **Exhibit C**

#### **Reserve Account For Facilities Improvement**

or for Government projects or activities not directly related to the provision of the involved concessionaire's services.

RAFI funds are not to be used to pay for or otherwise reimburse the concessionaire for annual operating expenses or Government appropriation accounts.

RAFI funds will not be used for acquisition, lease, or maintenance of personal property. With the exception of built-in refrigeration units in kitchen facilities, all kitchen equipment shall be considered personal property and not eligible for RAFI expenditures.

Examples of the type of other personal property that is not appropriate for RAFI expenditures include, but are not limited to, vehicles and vessels, houseboats, barges, personal watercraft (like jet skis), motor boats, sailboats, tour boats, paddleboats, canoes, kayaks, windsurfing equipment, dinghies, rowboats, parasailing equipment, horses, bicycles, motorbikes, snowmobiles, personal vehicles, buses, trucks, vans, and vending machines.

The account shall not be used to replace individual fixtures, doors, windows, or pieces of equipment (e.g., window air conditioning units) regardless of whether they are damaged by use or vandalism or have deteriorated as a result of normal operations.

The account shall not be used for decorating costs, furniture, interior painting, or periodic re-carpeting or other necessary cosmetic work. RAFI funds shall not be used for cleaning, housekeeping, groundskeeping, regular landscaping care, or similar routine upkeep activity. RAFI funds shall not be used for seasonal opening and closing costs.

#### **G. Appropriate Account Expenditures**

Project activities that are appropriate for RAFI fund expenditures include project planning, design, and construction of new buildings and infrastructure, renovation or rehabilitation of existing buildings and related infrastructure, demolition of old facilities, footprint and landscape design, and site restoration. Appropriate RAFI fund expenditures would include major capital expenditures in Government-owned structures/facilities that are assigned to concessionaires for the purposes of their use. The following list identifies some but not necessarily all of applicable expenditures:

- Foundations.
- Building frames.
- Window frame replacement.
- Sheathing.

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**Reserve Account For Facilities Improvement**

- Subfloors.
- Drainage.
- Renovation of building systems (electric, plumbing, HVAC, roofing, etc.).
- Additions (buildings, walkways, docks, etc.).

Certain fixtures used by the applicable facilities, although removable, would be considered appropriate for RAFI fund expenditures, for example:

- Water heaters.
- Compressed air tanks.
- Fuel storage tanks.
- Hoists and equipment.
- Vault and composting toilet facilities.
- Others on a case by case basis.

The concessionaire may, with the approval of the area manager, be allowed to charge the RAFI fund for reasonable administrative expenses directly associated with the implementation of capital improvements. Such expenses, however, will not exceed 5 percent of approved project expenditures. Before allowing such expenses, they must be approved, in writing, by the Reclamation area manager, who shall determine the reasonableness and appropriateness of such expenses. Such approval shall be based on the concessionaire's submission of a detailed listing of the administrative costs it expects to incur and those it seeks to fund through the RAFI.

#### **H. Project Contracts**

The contracts entered into by the concessionaire (or others, should that be authorized) to undertake projects are private contracts, not Government contracts, and are issued at an arm's length to obtain the best contract price possible. The concessionaire shall not, directly or indirectly, enter into any arrangement or agreement whereby it receives money or other benefits from the contractor.

The area manager may require that the RAFI funds be used to pay for the cost of an independent, third-party construction supervisor/inspector to represent the interests of the Government on any project in which the area manager feels such a supervisor/inspector would be cost effective and necessary to the sound administration of the project.

The concessionaire shall ensure that a Builders' Risk Form insurance policy is in effect during the construction. The area manager will approve,

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### **Reserve Account For Facilities Improvement**

in writing, the type and amount of insurance. This policy is an appropriate expenditure from the RAFI funds.

#### **I. Project Nomination And Approval**

1. Spending money from the RAFI requires a coordinated effort between the concessionaire and the Reclamation area manager. Projects must be proposed, prioritized, approved, bid, and accomplished using the orderly process described below to ensure accountability.
2. Reclamation staff, the concessionaire, or both may submit proposals to the area manager for the use of the RAFI funds using a format established by the area manager.
3. The area manager will establish an account committee to review and recommend approval or disapproval of project nominations in accordance with the Annual Improvement Management Plan and exhibit H. The committee will include at least Reclamation's concession management person and other staff members deemed appropriate by the area manager. The chair will be the Reclamation lead concession operative unless a different appointment is made by the Secretary. The area manager will establish a process to review, prioritize, and approve or disapprove project nominations based on, but not limited to, the following:
  - Applicable laws and regulations.
  - Reclamation's Concessions Policy and Directives and Standards.
  - Concession contract and amendments, including the appropriateness of the project given the RAFI fund restrictions stated in this exhibit.
  - Operating Plans, Maintenance Plans, and Annual Improvement Management Plans.
  - Need, based on resource impacts or human risk factors.
  - Compliance with Reclamation planning documents.
  - Other applicable factors.

Upon completion of the review, the committee will prepare a record of the evaluation and a recommendation for approval or disapproval by the area manager. The documentation will be included in the proposal format established by the area manager.

4. The area manager will approve project nominations.
5. The area manager will authorize each project in a written letter to the concessionaire. The letter will establish a project account



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number and set a notto-exceed budget amount. The established budget may be increased only by subsequent written authorization by the area manager. The budget amount will include all direct projects hard and soft costs, such as design, construction, material purchases, environmental compliance reports, environmental mitigation, contingencies, and construction inspection.

The project statement will provide a chronological audit trail of the decisionmaking activity, including meetings, inspections, and change orders, from nomination to project completion. Support documents will be maintained in the project file or referenced in the project statement.

**J. Specifications, Design, and Bidding**

- 1.(a) Work funded by a RAFI account is to be accomplished through competitive contracts or as described below. The concessionaire shall assume responsibility, including liability for any RAFI funded contracts awarded but not completed by the previous concessionaire pursuant to this concession contract.
- 1.(b) Concession employees will not perform construction work unless the area manager determines that there are circumstances that make such work advantageous and that it would be effectively managed. Concessionaires may use sole-source contracts only with the prior approval of the area manager.
- 1.(c) The concessionaire may not bid as an independent contractor or be employed by the contractor for RAFI-funded projects within their own concession contract.
- 1.(d) The concessionaire shall not directly or indirectly enter into any contract whereby it benefits directly or indirectly through the transfer of funds or other benefits from a RAFI project contractor conducting work within the bounds of the concessionaire's concession contract.
- 1.(a) Exceptions to these policies may be granted, in writing, by the area manager on a case-by-case basis when there are unusual circumstances, clear advantages to the Government, and adequate controls.
- 2.(a) The area manager will approve a project scope of work before the concessionaire begins project design.

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#### **Reserve Account For Facilities Improvement**

- 2.(b) Design work will typically be accomplished by an architect, engineer, or other design consultant hired by the concessionaire. The area manager will approve the concessionaire's selection of the design consultant.
3. Plans and specifications will be prepared by the concessionaire or the concessionaire's design consultant. When design is involved in a project, the designs will be reviewed by the area manager as appropriate to the project and as specified in exhibit H. Sufficient time should be allowed for design review by appropriate Reclamation staff at area, regional, or technical service center offices or by independent consultants.
4. Once plans and specifications are approved, the concessionaire will prepare to advertise or otherwise solicit bids for the project.
5. For each project, the package for bidding will include at least the plans and specifications and a draft contract or agreement under which the work will be carried out and that has been reviewed and approved by the area manager. If lodging and/or meals are provided by the concessionaire as part of the contract, the contract must include this provision and rates.
6. If the project is bid, the concessionaire will receive, open, and evaluate project bids.
7. The concessionaire will recommend and justify selecting a contractor from among the bidders or from other sources if a bid process was not used. This recommendation will be accepted or rejected, in writing, by the area manager. Once confirmation has been issued, the concessionaire is authorized to sign a contract and proceed with the project.
8. Change orders on project contracts require approval, in writing, from the area manager.
9. Upon certification from the contractor that a project is complete, the project will be inspected jointly by the concessionaire and the area manager. The project will not be accepted by the concessionaire until authorized in writing by the area manager.
10. Upon project completion, the concessionaire will submit to the area manager a project completion report, including total project costs, warranties, service manuals, other similar documents, and as-built drawings of the project in the form specified. Invoices, certificates,

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and other documentation related to the final segment of work accomplished shall accompany the report and be the basis for final payment to the contractor. Final payment to the contractor shall not be made until the project has been accepted, in writing, by the area manager.

Exhibit C Approved Effective: \_\_\_\_\_

United States Of America

Concession Contractor

By: \_\_\_\_\_  
Area Manager,  
Bureau of Reclamation

By: \_\_\_\_\_

Title: \_\_\_\_\_

## Exhibit D

### Reclamation Manual Policy – LND P02

**Subject:**

Concessions Management

**Purpose:**

Sets forth the policy for planning, development, management, and operation of concessions at Reclamation projects.

**Authority:**

Reclamation Act of 1902, as amended and supplemented; the Reclamation Project Act of 1939; and the Federal Water Project Recreation Act of 1965, as amended.

**Contact:**

Land, Recreation, and Cultural Resources Office, D-5300

#### 1. Concessions Management Policy.

**A. Stewardship.** Reclamation and its managing partners will ensure that concessions are planned, developed, and managed to meet public needs, are compatible with the natural and cultural resources, and provide a variety of services which are consistent with authorized project purposes.

**B. Authorization of Concessions.** Based on the principles contained in this policy, Reclamation will authorize concessions which establish or continue to provide necessary and appropriate facilities and services.

#### 2. Definition.

**A.** A concession is a non-Federal commercial business that supports appropriate public recreation uses and provides facilities, goods, or services for which revenues are collected. A concession involves the use of the Federal estate and usually involves the development of real property improvements.

#### 3. Concessions Principles.

The following principles guide the planning, development, and management of concessions:

- A.** Concessions will provide quality recreation facilities and services accessible to persons with disabilities, and appropriate visitor goods and services at reasonable rates.
- B.** Concession operations will provide for the protection, conservation, and preservation of natural, historical, and cultural resources.

- C. Commercial facilities and services will be planned and developed through a commercial services planning and public involvement process, in cooperation with other public agencies.
- D. Concessionaires will be provided with opportunities for a reasonable profit and may be compensated for Reclamation-approved improvements that will remain the property of the United States.
- E. Reclamation will ensure fair competition in the awarding of concessions contracts and will not allow preferential rights of renewal.
- F. Exclusive use of the Federal estate will not be allowed and existing exclusive use will be removed as soon as possible.
- G. Concessions will comply with applicable Federal, State, and local laws.

**4. Supporting Directives and Standards and Guidelines.**

Implementation of the Concessions Management Policy is accomplished through the use of the Reclamation Manual Directives and Standards, and Guidelines.

- Concessions Management by the Bureau of Reclamation, LND 04 - 01.
- Concessions Management by Non-Federal Partners, LND 04 - 02.
- Concessions Management Guidelines.

## Reclamation Manual Directives and Standards – LND 04-01

**Subject:**

Concessions Management by Reclamation<sup>1</sup>

**Purpose:**

Sets forth the directives and standards for planning, development, and management of concessions at Reclamation projects.

**Authority:**

Reclamation Act of 1902, as amended and supplemented; the Reclamation Project Act of 1939; and the Federal Water Project Recreation Act of 1965, as amended.

**Contact:**

Land, Recreation, and Cultural Resources Office, D-5300

### 1. Definitions.

- A. Concession.** A concession is a non-Federal commercial business that supports appropriate public recreation uses and provides facilities, goods, or services for which revenues are collected. A concession involves the use of the Federal estate and usually involves the development of real property improvements.
- B. Cooperating Association.** A cooperating association is a nonprofit organization. It is a Federal 501(c) tax-exempt entity incorporated within the State in which it operates, and it is governed by a volunteer board of directors. Cooperating associations assist in enhancing interpretive programs, providing visitor information, funding research, and supporting various resource themes.
- C. Exclusive Use.** Exclusive use is any use that excludes other appropriate public recreation use or users for extended periods of time. Exclusive use includes, but is not limited to, boat docks, cabins, trailers, manufactured or mobile homes, structures, roads, or other amenities that are determined by Reclamation to be exclusive use.
- D. Federal Estate.** The Federal land and water areas under the primary jurisdiction of the Department of the Interior, Bureau of Reclamation.
- E. Fixed Assets.** Fixed assets are any structures, fixtures, or capital improvements permanently attached to the Federal estate.

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<sup>1</sup> The following directives and standards apply to concessions managed directly by Reclamation. Separate directives and standards address concessions managed by non-Federal partners.

**F. Improvement.** An addition to real property that increases its value or utility or that enhances its appearance.

**G. Incidental Revenues.** Incidental revenues are generally defined as those revenues generated from the use of Reclamation's project lands and facilities that are incidental to authorized project purposes. Although recreation and concession facilities are authorized project purposes, it has been determined that revenues generated from the use of the Federal estate by concessionaires are to be credited as incidental revenues.

**H. Total Benefits to the Government.** Total benefits include:

- 1. Direct Returns.** These are revenues generated by authorized concession contracts and paid directly to the United States Treasury and credited in accordance with Reclamation Manual (RM), *Crediting of Incidental Revenues*, PEC 03-01.
- 2. Direct Benefits.** These are fees paid into a contractually designated special account for resource and capital improvements that directly benefit the public in the area of operations where the fees are collected.
- 3. Indirect Benefits.** These are services performed by the concessionaire that benefit the public or improvements made to the Federal estate by the concessionaire.

**2. Existing Concession Contracts.**

**A. Compliance.** Existing concession contracts must be brought into compliance with the Concessions Management Policy and Directives and Standards at the first legal opportunity, for example, if the contract is amended. If a concession contract expires or is terminated because of contract default or for other reasons, any subsequent concession contract must comply with the Concessions Policy and Directives and Standards.

**B. Unusual Circumstances.** In the event that unusual circumstances prevent Reclamation from issuing a new contract in a timely manner, a one-time, temporary contract may be issued. The temporary contract must comply with the Concessions Management Policy and Directives and Standards and may be issued for a period not to exceed 2 years.

### **3. Concessions Planning.**

**A. General.** Before issuing a concession prospectus and Request for Proposal (RFP), Reclamation will complete a formal commercial services plan and financial feasibility evaluation.

- 1. Commercial Services Plan.** The commercial services plan can be an addendum to a resource management plan or similar planning document. If there is no other planning document, the commercial services plan may stand on its own. At a minimum, the commercial services plan must determine the number of concessions necessary to meet the public needs, the type of facilities and services to be provided, the financial feasibility of the concession(s), and the location(s) appropriate for commercial activities. The complexity of commercial services plans will vary according to location, past visitor use, anticipated revenues, and other factors.
- 2. Financial Feasibility Evaluation.** The financial feasibility evaluation, included in the commercial services plan, will include, at a minimum, a documented determination of the financial viability of the proposed concession operation, including, the estimated fees to be returned to the Government, a justification for the proposed length of the term of the concession contract and the underlying assumptions regarding concessionaire capital investment in the concession.
- 3. Planning for New Concessions Contracts.** It is essential that area and regional offices allow adequate time to complete the commercial services planning process, develop an RFP and contract, and receive the Commissioner's Office review and approval of the RFP and contract. In some cases, the planning for new concession contracts(s) must begin several years in advance of the date anticipated the contract(s) will be awarded.

**B. Commercial Services Plan.** Decisions to contract for concessions must be based on the results of the commercial services planning process, which will include public involvement, financial feasibility evaluation, and environmental analysis. During the planning process, the following criteria will be applied to determine appropriate facilities and services:

1. Facilities and services must be necessary and appropriate for a broad spectrum of public use and enjoyment.



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**Reclamation Manual Directives and Standards – LND 04-01**

2. Commercial facilities must not be developed or expanded on the Federal estate if existing facilities, on or off the Federal estate, adequately meet current and projected needs.
3. Facilities and services must reflect the general public's needs rather than the desires of a particular individual or group. Existing concessionaires may provide input through the public involvement process.
4. The financial feasibility evaluation must consider the concession's:
  - a. Gross revenues (receipts) by operating department (lodging, food, and beverage).
  - b. Operating expenses:
    - i. Direct expenses by operating department (including labor and cost of goods sold).
    - ii. Unallocated expenses (including utilities and repair and maintenance).
    - iii. General and administrative expenses (including overhead, officer salaries, office supplies, and travel).
    - iv. Fixed expenses (including rent, interest, depreciation, and reserve accounts).
    - v. Franchise fees.
  - c. Earnings before interest, depreciation, taxes, and amortization. (EBIDTA is a standard accounting value representing net operating income)
  - d. Capital investment costs:
    - i. Working capital.
    - ii. Furniture, fixtures, and equipment.
    - iii. Ongoing capital replacement.
    - iv. New facility development costs.
  - e. Cash flow analysis.
  - f. Other appropriate factors that influence the concession's business opportunity (including length of season, rates, visitation, inflation, cost of capital, and appropriate target rate-of-return to concessionaire).

5. Facilities and services must be compatible with Reclamation project purposes.
6. Facilities, services, or sites considered to be exclusive use will not be allowed and should not be considered as a part of any commercial services planning alternative. Existing exclusive use facilities, services, and sites must be removed when a contract expires or, if possible, sooner.
7. Potential impacts to natural and cultural resources must be considered in the development of facilities and services.
8. Facilities must be harmonious in form, line, color, and texture with the surrounding landscape.
9. The planning process will consider whether existing concession facilities should be relocated because: (a) they would serve the public better at a different location, (b) they are situated in an area that is topographically limited (steep slopes, soils subject to erosion, limited space for expansion, or the site cannot accommodate the demand) and cannot provide the best public services and facilities, or (c) the financial feasibility evaluation determines that combining one or more existing concessions would create a more financially stable concession.
10. If existing fixed assets are proposed to be retained as a part of any new concession operation, they must first be formally evaluated to determine if their existing condition and useful life is sufficient to last through the duration of any new contract. If the evaluation determines that any fixed asset would have to have significant maintenance or would need to be replaced during the term of the new contract, then the fixed asset must be removed prior to issuing a new contract.
11. Concession contracts and operations must comply with all applicable laws, rules, regulations, Executive Orders, and policies.

#### **4. Concessions Contracting.**

- A. General Application.** These directives and standards will apply to existing concessions contracts only if agreed to by both Reclamation and the concessionaire. Existing contracts may not be renewed, nor can the length of the term be extended. Existing contracts that are amended or modified within the current term must adhere to these

Concessions Management Directives and Standards. New or replacement contracts will be awarded on a fully competitive basis.

**B. Request for Proposals (RFP).** An RFP will be issued to actively solicit offers from interested parties. To allow for a wide distribution, the RFP will be published in the appropriate media and the following approach will be applied:

- 1. Fair Competition.** To ensure fair competition before and during the RFP process, meetings to discuss the RFP with existing or potential concessionaires or other outside parties must not be conducted. It is appropriate to have meetings with existing concessionaires to deal with ongoing operational or contractual issues and programs. The RFP should include a schedule of meetings in which all interested parties can discuss requirements of the RFP. Other meetings requested by individual interested parties must be declined.
- 2. Equal Access to Information.** All information must be equally available to all interested parties during the RFP process.
- 3. Written Explanation.** Following release of an RFP, explanations or clarifications will be provided only in writing and must be sent to all parties who already have received the RFP and to any parties who are to receive it in the future.
- 4. Existing Concessionaires.** Existing concessionaires must respond to the RFP as a bidder to be considered for the new contract. If any existing concessionaire has a contract that includes a “Preferential Right of Renewal,” the RFP must state that, if selected, the concessionaire’s contract will be subject to all terms and conditions as outlined in the RFP. The RFP must also state how the preferential right of renewal will be applied in the bid process. No preferential right of renewal will be authorized for new, modified, or amended concession contracts.

**C. Review of Proposals.** A panel composed of Reclamation “subject matter experts” (e.g., financial, recreation, and concession experts) will be convened to review submitted proposals. If Reclamation desires, it may contract with external experts to analyze offers. The panel will forward a recommendation to the selecting official. The selecting official will provide selection criteria and a crediting plan to the panel.

**D. Contract Terms and Conditions.** The following items should be specifically addressed in concession contracts:

- 1. Standard Contract Language.** Reclamation's standard concession contract language will be used to ensure compliance with all applicable laws, rules, regulations, Executive Orders, and Concessions Management Policy and Directives and Standards. Standard contract language can be found in the Concessions Management Guidelines. (See paragraph 5E.)
- 2. Interim Operator.** Reclamation may select an interim operator if a contract is not in place at the time the existing contract expires or is terminated. Interim contracts will generally follow the existing contract provisions; however, contract terms and conditions must be modified to reflect current policies and directives and standards. Reclamation may select the existing concessionaire as the interim operator if the existing concessionaire is performing in a satisfactory manner. The interim operation will not exceed 2 years. A new contract must be awarded as expeditiously as possible.
- 3. Required and Authorized Visitor Services.** Contracts must outline the specific types of services, facilities, and activities that a concessionaire is **REQUIRED** to offer. The contract should also specify any other services or activities the concessionaire is **AUTHORIZED** to offer. It must be clear that those required services are not optional and must be provided. Any service, facility, or activity not identified in either category is not authorized without a contract amendment or written authorization from the contracting official (Regional Director or delegate).
- 4. Sale and Transfer.** Concessionaires or parties holding interests in a concession contract may not sell, assign, or transfer their interests or a part of their interests to another party without the prior written approval of the contracting official (Regional Director or delegate). Concessionaires must complete and submit all sale and transfer information as required by Reclamation before approval of a sale or transfer of all or any portion of a concession operation will be considered.
  - a. Proposed Transfer.** A proposed transfer of interest is subject to the same evaluation process that is performed

for a new concession contract. The Reclamation-designated official may choose not to approve a proposed sale or transfer or may choose to place conditions on the approval.

**b. Change of Original Contract Terms.** Concession contracts will provide that the terms and conditions are subject to change by Reclamation before approval of a sale or transfer. The length of the term may be reduced but not extended.

- 5. Default and Nonperformance.** Clauses addressing default, penalty, and termination will be included in all concession contracts. The review and evaluation process will be critical to help determine if a concessionaire is in default or not meeting the terms of the contract. [See paragraph 4D(27).] The contract will also allow Reclamation to require a surety or performance bond at any time, collect penalties and administrative costs for default and nonperformance, and terminate the contract.
- 6. Length of Term.** The term of all contracts will be limited to the shortest period practical and will be based primarily on the investment required of the concessionaire, as determined through the financial feasibility evaluation. The term of a contract requiring minimal or no new capital investment should generally not exceed 5 years. When substantial investment is required, the term will be based on the financial feasibility evaluation to ensure that concessionaires receive a reasonable return on their investment. New contracts cannot contain renewal clauses.
- 7. Subconcessions.** Subconcessions are not permitted.
- 8. Concessions Building and Improvement Program.** All designs for construction must be approved by Reclamation and must comply with applicable environmental regulations and building code requirements, including those for accessibility and historic preservation. In areas where State or local construction standards are not available, Reclamation may provide appropriate standards. Where required and before construction, the concessionaire must obtain all required building permits from the local authorities. All the concessionaires' facilities will be harmonious in form, line, color, and texture with the surrounding landscape.

- 9. Environmental Compliance.** Concession contracts will address all activities with potential environmental impacts resulting from the release of hazardous materials to the environment including, but not limited to, the following: pesticides, herbicides, sewage effluents, petroleum products, and liquid waste (gray water). Concessionaires are required to follow all applicable Federal, State, and local laws, rules, and regulations related to hazardous substance use, storage, and disposal. Application for and acquisition of all required certifications and permits are the responsibility of the concessionaire.
- 10. Interpretation and Thematic Programs.** Contracts should require concessionaires, to the extent possible, to support Reclamation's educational efforts through such actions as developing interpretive and area thematic messages in printed material (menus, marketing, correspondence, etc.), using outdoor signs, and, as appropriate, developing formal programs.
- 11. Operation and Maintenance Plan.** Concessionaires will prepare an annual operation and maintenance plan, which must be approved by Reclamation. Concession contracts must clearly state what the plan will contain. Reclamation's Concessions Management Guidelines provide a list of operation and maintenance items that should be considered for inclusion in the plan. (See paragraph 5E.)
- 12. Preference for Renewal.** Concession contracts will not include a preference right of renewal.
- 13. Reimbursement for Fixed Assets Constructed by Concessionaires.** Concession contracts will specify whether fixed assets located on the Federal estate by a concessionaire will remain on the Federal estate or be removed at the end of the contract.

  - a. Assets That Remain With the United States.** Title to all capital investments will be held by the United States and not the concessionaire. Concessionaires do not automatically have a right to compensation from the United States in fixed asset improvements upon contract expiration or termination. However, at the option of Reclamation, and when appropriated funds are available, Reclamation may purchase a

concessionaires remaining assets that have not been amortized and the amount paid to the concessionaire will not exceed cost less depreciation.

- b. Approval of Improvements.** Any new investment in fixed asset improvements by the concessionaire must be approved, in writing, by Reclamation before commencement of construction. This written approval will specify (i) the amount of money to be spent to construct or rehabilitate the fixed asset, (ii) the allowed depreciable life of the improvement (according to the IRS schedule), and (iii) the construction details and schedule.
- c. Assets That Remain to be Purchased by a New Concessionaire.** Upon expiration, termination, or sale or transfer of a concession contract some fixed assets may not have been fully amortized. If Reclamation determines the fixed assets are still needed for the concession operation, the unamortized value must be purchased by the new concessionaire and based on the original cost less depreciation.

**14. Area of Operation.** Each contract will authorize and define only the physical area necessary to conduct the business activities allowed by the contract. The contract must include a legal description and a detailed map. Concession boundaries will be surveyed by Reclamation and must be easy to recognize by the visiting public.

**15. Additional Facilities or Services.** A concessionaire may request contract amendments for limited additional facilities or services that meet public needs and were not identified in the RFP. A major expansion of facilities or services is not permitted. Additional facilities or services are not allowed without advance approval by Reclamation.

**16. Total Benefits to the Government.** Reclamation will determine and recover fair compensation, including direct returns and direct and indirect benefits, for the use, rights, and privileges granted under a concession contract. The concession contract will specify the direct returns and direct and indirect benefits.

- a. Thresholds.** Targeted thresholds of total benefits will be developed to determine the optimal combination of payments. These will be used in advertisements, RFPs, and renegotiations to seek appropriate benefits to the Government and the public.
- b. Direct Returns (Disposition of Fees).** The appropriate disposition of recreation or concession fees depends on the land status and authority used to collect the fees. Fees collected under the authority of the Land and Water Conservation Fund Act are to be deposited in the Recreation, Entrance, and User Fee Account, which is a special account for Reclamation established in the United States Treasury. For specific information, refer to the RM, Crediting of Incidental Revenues, PEC 03-01. Except as provided otherwise in a project specific authorization, fees collected pursuant to Reclamation law will be disposed of as follows:
  - i. Fees generated by concessions or recreation activities on withdrawn project lands are deposited in the Reclamation Fund.
  - ii. Fees generated by concessions or recreation activities on lands acquired for project purposes are deposited in the Reclamation Fund, to the credit of the project.

**17. Utility Services Provided by Reclamation.** The value for utility services provided by Reclamation will be based on the recovery of full operating and replacement costs for utility capital investments and comparable utility rates. If the financial feasibility evaluation determines that it would not be feasible for the concessionaire to pay rates which would compensate Reclamation for its total capital and operating costs, Reclamation must determine the utility service rates that would be feasible and applied. Utility services include, but are not limited to, electricity, power, water, waste disposal, gas, and communication systems.

**18. Exclusive Use.** Exclusive use facilities are not authorized in new concession contracts. If existing concession contracts are amended, a new provision must be included that requires exclusive use to be phased out as soon as possible, before the contract expires. A mandatory timetable for this phase out



must be included in the amended contract. The concessionaire and a person hired to guard the concessionaire's investment may reside on the Federal estate, with the written approval of the contracting officer.

**19. Sale of Personal Property.** The sale of personal property by anyone other than the concessionaire is prohibited on the Federal estate. Concessionaires will be permitted to sell their personal property on the Federal estate only to Reclamation or a succeeding concessionaire.

**20. Rates and Merchandise.** Rates charged by concessionaires for all facilities, services, and merchandise will be based on charges for comparable facilities, services, facilities, and merchandise provided by the private sector in similar situations. Approved rates will ensure a fair return to the concessionaire and a reasonable charge to the public. Reclamation will approve such rates or rate schedules when the concessionaire proposes to change rates. Any rates in excess of comparable rates must be thoroughly justified and supported in writing by the concessionaire and approved by Reclamation.

**21. Concessions Safety Program.** Concessionaires are responsible for providing and ensuring a safe and healthful environment for both the visiting public and employees by developing, implementing, and administering health, safety, and educational programs to ensure that concession areas are managed in compliance with Federal, State, and local laws, rules, and regulations.

**22. Insurance Program.** Concessionaires must have an insurance policy that will indemnify the United States and meet applicable State requirements. All liability policies will provide that the insurance company will have no right of subrogation against the United States and will provide that the United States is named as an additional insured. Reclamation must be provided with a certificate of insurance by the insurance agent to confirm that the above requirements are met before development begins or operations commence. The concessionaire must also provide Reclamation with a copy of each insurance renewal certificate throughout the term of the concession contract. The Regional Director or delegate will establish a minimum insurance requirement based on the facilities and services offered by individual concessions.

**23. System of Recordkeeping.** Concessionaires will complete Reclamation's Annual Financial Report (AFR) form and provide any other financial information that may be requested. The annual financial reports will conform to the standard AFR form, without exception or modification.

**24. Food Sanitation.** Concessionaires' food services will comply with Federal, State, and local food handling and sanitation laws, rules, and regulations.

**25. Advertising and Signs.** Use of the Reclamation seal, logo, or name must be approved by Reclamation before it is displayed in advertisements or on signs. Outdoor signs or other forms of advertising must not be displayed on the Federal estate without the approval of Reclamation.

- a. The Reclamation logo or name will be obvious at all entrances to all concessions.
- b. Concessionaires will be required to notify the public that they are authorized by Reclamation to conduct business on the Federal estate. All promotional material, regardless of media format (i.e., printed, electronic, broadcast), provided to the public by the concessionaire in connection with the services provided under the concession contract must be approved in writing by Reclamation. At a minimum, all such information will identify the concessionaire as an authorized concessionaire of the Bureau of Reclamation, Department of the Interior.

**26. Statistical Data.** Concessionaires will furnish information as specified in Reclamation's Recreation Use Data Report on an annual basis or as otherwise requested.

**27. Concessions Review and Evaluation.** Reclamation's Concessions Management Guidelines contain instructions on how to determine an appropriate rating and how to ensure that the concessionaire is in compliance with the terms of the contract. There are two types of review, the "local review" and the "external review."

- a. **Local Review.** The local review will be conducted by the Reclamation office directly responsible for

oversight of the concession. The local review will be conducted at least twice annually. One of the inspections must be conducted during the high use season. The combined reviews will determine the annual performance rating. The review will include, at a minimum, items listed in the Concessions Management Guidelines. The possible ratings are Satisfactory, Marginal, or Unsatisfactory. A copy of the completed review and rating will be sent to the regional office and the concessionaire and entered into the Recreation Use Data Report. The local Reclamation office will maintain all concession program management files and records.

- b. External Review.** The external review will be conducted and documented by a team of technical specialists who are not employees of the office directly responsible for oversight of the concessions. At a minimum, contracts with a term of 5 years or less will be reviewed once, midterm; contracts with a term exceeding 5 years will be reviewed every 5 years. A copy of the review will be sent to the area and regional offices and the concessionaire. The external reviews will examine, at a minimum:
- i. The extent to which the concession operation meets Reclamation's Concessions Management Policy, Concessions Management Directives and Standards, and Concessions Management Guidelines.
  - ii. The extent to which the concession activities are consistent with resource management plans and commercial services plans.
  - iii. The extent to which the concessionaire is in compliance with the contract provisions, especially with respect to building improvements, operations, prices charged by concessionaires, fees returned to the Government, and annual financial reporting to Reclamation.

**New Melones Lake Concession Prospectus**  
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**Reclamation Manual Directives and Standards – LND 04-01**

- iv. The quality and condition of the facilities and services related to the health and safety of the employees and the visiting public.
  - v. The recordkeeping system(s) used by the local Reclamation office to determine that the concessionaire uses generally accepted accounting practices.
  - vi. The recordkeeping system(s) used by the local Reclamation office to conduct quarterly and annual reviews.
  - vii. The local Reclamation office records regarding the annual reviews and annual rating.
- c. Corrective Actions.** If either the local or external review identifies operational or administrative deficiencies in the operation of a concession, a timetable must be established by the area office and approved by the Regional Director or delegate to correct these deficiencies. The contract must specify the actions that will be taken for marginal or unsatisfactory ratings. The possible actions will include suspension of all or part of the concession operation or termination of the concessions contract.
- d. Disputes.** Disputes between Reclamation and the concessionaire are to be resolved through informal negotiations and discussions. In the event that such disputes fail to reach resolution, either party may request a formal, nonbinding arbitration process. Each party selects one member for the arbitration panel and, together, these two members will select the third (neutral) panel member. The panel will treat each party equally and fairly. Recommendations must be made by a majority of the panel members. If either party disagrees with the arbiter's recommendation, he or she may file an appeal with the Secretary of the Interior under 43 CFR, Part 4, Subpart G. The Secretary's determination is final and binding.
- e. Officials Not to Benefit.** No member of the executive, legislative, or judicial branches of the Federal Government may be a party to any concession

contract or receive any benefits from a concessions contract.

**5. Miscellaneous.**

**A. RFP and Contract Review.** All RFPs and concession contracts must be reviewed and approved by the Commissioner's Office. The following sequence of steps must be followed:

1. Area or regional offices must submit the proposed RFP and contract along with supporting information to the Commissioners's Office. The supporting information must include appropriate planning documentation and financial feasibility evaluation.
2. The Commissioner's Office will establish a review team appropriately suited to the complexity and scope of the RFP and the contract. The team will evaluate the RFP and the contract for sufficiency and compliance with the Concessions Management Policy and Concessions Management Directives and Standards.
3. The Commissioner's Office will return the approved RFP and contract, or return the RFP and the contract for modification and resubmittal if necessary.

**B. Training.** All Reclamation offices are responsible for ensuring that Reclamation personnel involved with concessions have received training commensurate with their responsibilities.

**C. Nonprofit Organizations.**

1. In certain circumstances, it may be appropriate for cooperative associations or nonprofit organizations to sell goods or provide visitor services to meet Reclamation's goals and objectives. All cooperative association arrangements must be approved by Reclamation if the cooperative associations operate within a concession.
2. The cooperative association will be responsible for maintaining its accounting system, and the system cannot be combined with the annual financial report submitted by a concessionaire. Nonprofit organizations will also be given very clear allowances and restrictions identifying the type of business they are authorized to conduct and the type of goods or services they may provide. Just as with concessionaires, nonprofit organizations are prohibited from providing items or

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services not specifically authorized. All nonprofit organizations must provide written proof of their nonprofit status.

**D. Employment of Reclamation Personnel or Family Members<sup>2</sup>.**

Reclamation employees or family members(s) may not be owners, partners, board members, corporate officers, general managers, or employees of any business providing commercial services on the Federal estate, nor may they have any financial interest in such a company. Ownership of stock shares traded in a recognized open market is not considered a financial interest under these directives and standards. Reclamation employees are further prohibited from using their public office for private or family gain. A Reclamation employee involved in activities concerning preparing specification formulation, contract award, or operational administering a concession may not participate in that activity if the employee or a family member is involved in any phase or operation of that concession. Any Reclamation employee responsible for any phase of a concession contract will be excused from duties related to the contract if the employee or a family member is involved in the competition for the contract or the Reclamation employee or a family member may benefit financially from the award of the contract.

**E. Concessions Management Guidelines.** The Concessions Management Guidelines contain additional information that will assist Reclamation offices in complying with the Concessions Management Policy and the Concessions Management Directives and Standards.

For Reference; Reclamation Concessions Management Guidelines may be accessed through the following website:

<http://www.usbr.gov/recreation/publications/RCMG.pdf>

Additional information for Reclamation Concession Management Directives & Standards may be found at the following website:

<http://www.usbr.gov/recman/lnd/lnd04-01.pdf>

Concessions Policy may be found at:

[http://www.usbr.gov/gp/concessions/concession\\_policy.pdf](http://www.usbr.gov/gp/concessions/concession_policy.pdf)

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<sup>2</sup> Guidance on this issue should be obtained from an ethics counselor in the servicing Reclamation Personnel/Human Resources Office.

# **Exhibit E**

## **Operating Plan**

2013/2014

### **New Melones Lake Marina**

The operating plan shall be prepared in consultation with the Bureau of Reclamation resource manager or designated representative and include the annual operations and maintenance for the New Melones Lake Marina. The Operating Plan will pertain to use authorized by the Interim Concession Contract.

The provisions of the operating plan shall become a part of the interim concession contract and shall be submitted by New Melones Lake Marina and approved by resource manager or designated representative. In the event of any conflict between the main body of the Concession Contract and this exhibit, the terms of the main body shall prevail.

This plan shall be amended as needed on an annual basis and any amendments will be approved by the resource manager or designated representative prior to implementation. Upon written approval of the Operating Plan, including any approved amendments to the Operating Plan, the concession contractor will adhere to and implement the approved version.

# New Melones Lake Concession Prospectus

## Exhibit E

### Operating Plan

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## **I. Operations**

### **1. Management**

It is the intention of the Management of New Melones Lake Marina to use the standards and guidelines included in this plan to operate.

Business:	New Melones Lake Marina
Facility Street Address:	6503 Glory Hole Road
City:	Angels Camp
State:	California
Zip Code:	95222
SIC Code (4 digit #):	Marina -4493 Rentals -7999
Nature of Business:	Houseboat and Small Boat Rentals and Full-Service Marina
Owner / Operator Name:	New Melones Lake Marina
Phone #:	(209) 785-3300

Mailing Address: P.O. Box 1389 Angels Camp, CA 95222

Management:  
Blaine “Smokey” Riggert – General Manager  
Erik Guy – Rental Supervisor  
Daniel Robertson – Service Manager  
Terri Arnott –Accounting  
Sheila Brannock -Retail Store

### **2. Seasons and Hours of Operation**

2013 Season

Hours change seasonally to parallel daylight hours and public demand.

The Marina is closed Thanksgiving Day, Christmas Eve, Christmas Day, New Years Eve, and New Years Day.

Due to safety considerations the Marina will close during severe weather.

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

Winter Hours: October 16th-March 15th Closed  
Spring Hours: 8:00 AM to 4:30 PM seven days a week March 16th to Memorial Day weekend  
Summer Hours: 8:00 AM to 6:00 PM Mon-Thurs; 8:00 AM to 8:00 PM Fri-Sun Memorial Day weekend through Labor Day weekend (Sunday)  
Fall Hours: 8:00 AM to 4:30 PM seven days a week. Labor Day to October 15.

### **3. Scope of Services**

- Boat Rentals:  
Houseboats, Ski Boats, Personal Watercraft, Fishing Boats, Pontoon Boats
- Berth Rentals:  
Mooring Balls, Houseboat Slips, 24" Covered slips, and 20" Covered slips.
- Other Rentals:  
Skis, Wakeboards, Kneeboards, Tubes, SUP's, Kayaks
- Dock Services:  
Towing, Pump outs, Dock services, Mechanic services
- Retail Store:  
Apparel, Boat and Camping Supplies, Boating Safety Equipment, Fire Extinguishers, Fuel, Groceries, Life Vests, Souvenirs, Toys

### **4. Safety, Sanitation, Security, and Fire Protection**

#### **A. Employee Safety Training**

Safety Training -Orientation  
Safety Training -Hazard Communications  
Safety Training -Spill Prevention Control and Countermeasure Plan

#### **B. Operations Safety Training**

Safety Training -Fuel System  
Safety Training -Propane System  
Safety Training -Septic System  
Safety Training -Dock Winch  
Safety Training -Forklift  
Safety Training -Hand & Power Tools  
Safety Training -Hazardous Energy Control Program  
Safety Training -Lifting & Handling  
Safety Training -Vehicles  
Safety Training -Department Specific

**C. Emergency Safety Training**

Safety Training -Emergency / Hazard Communication  
Safety Training -Fire Prevention Plans  
Safety Training -Emergency Action Plans

**A. Employee Safety Training**

**Orientation**

Within three days of employment, all marina employees shall receive specific orientation of fuel system layout by immediate supervisor, and complete the Orientation Safety Training SPCCP checklist.

**Hazard Communication**

The Hazardous Communication plan, Spill Prevention Control and Countermeasure Plan (SPCCP), and all applicable MSDS sheets are to be posted in a conspicuous workplace area, the location of which shall be so indicated to employees immediately upon employment.

There shall be a Safety Training Meeting of all marina employees held on a regular basis, scheduled and directed by the designated Site Safety Officer. Existing procedures shall be reviewed. New conditions are evaluated; appropriate corrective/preventive steps are implemented as needed.

**Safety Training Agenda:**

- Define potential hazards on site.
- Define any designated personnel.
- Define training level of personnel.
- Review existing emergency procedures.
- Evaluate/Update procedures if necessary.\*

\*Any changes in facility design, construction, operation, or maintenance may require amendment of this SPCCP; such amendments shall be implemented as soon as possible, but not later than six months after such changes.

**Potential Hazards On Site**

**Gasoline**

- Location: The 12,000 gallon above ground storage tank is located at the top of the dock ramp. Fuel flows to the dock through pipes to the four fuel dispensing pumps on the dock.

## New Melones Lake Concession Prospectus

### Exhibit E Operations

- Hazard: Gasoline is extremely flammable. It floats on water, and remains very flammable even while floating on water.

#### Propane

- Location: The 500 gallon storage tank is on a floating barge attached to the dock. This storage tank is also the propane dispensing unit. Additionally, many boats at the marina have propane tanks on board.
- Hazard: Propane is extremely explosive, heavier than air, and will collect in low and confined areas.

#### Diesel

- Location: 55 gallon drum and in the fuel tanks of the vehicles that use this fuel.
- Hazard: This fuel is flammable, and remains flammable even while on water.

Protect Life First – property and environment are secondary concerns.

(X = Qualified/Certified Training, C = Authorized Contact)

Table 7.20 - 5: Designated Personnel Qualifications and Responsibilities

Designated Personnel Job Title	Designated Personnel Name	CPR	First Aid	Fire	Spill
General Manager	Blaine Riggert	X	C	C	C
Rental Supervisor	Erik Guy	X	C	C	C
Service Manager	Daniel Robertson	X	C	X	X

The General Manager will be notified of any emergency situation at the resort by the supervisors, and a Witness Statement is to be completed and turned in by end of shift on the same day.

#### Training Level Of Personnel

New Melones Lake Marina employees are not trained at this time, to the level of "First Responder Operations Level", which is required for active spill containment and recovery. With sufficient training, marina employees may be company certified as "First Responder Awareness Level", defined as follows: "Individuals who are likely to witness or discover a hazardous substance release

and who have been trained to initiate emergency response sequence by notifying the proper authorities of release, and would take no further action beyond notifying the authorities”.

Pursuant to 29CFR part 1910.120, First Responders at the Awareness Level shall have sufficient training or have had sufficient experience to demonstrate competency in the following areas:

- Understanding what hazardous materials are, and the risks associated in an incident.
- An understanding of the potential outcomes associated with an emergency created when hazardous materials are present.
- The ability to recognize the presence of hazardous materials in an emergency.
- The ability to identify the hazardous materials in an incident.
- Understanding the role of the „first responder awareness“ individual in the employer's emergency response plan - including site security and control.
- The ability to realize the need for additional resources, and to make appropriate notifications to the communications center.

Marina employees are trained and qualified to operate fueling equipment, handle fuel product, recognize spills, and conduct housekeeping tasks incidental to fuel transfers. Such personnel engage in general housekeeping tasks involving clean-up of minor drips or spills within secondary containment systems (non-confined airspaces) and adjacent to the fuel tanker. They are allowed to place containment booms and/or construct diversion structures well ahead of active spills, and only at a safe distance. Without additional training, they are not allowed to actively and intimately contain or divert a spill.

All employees are required to report any equipment malfunction, potential hazard, and spill event to immediate supervisor. Any emergency event will require a completed witness statement that will be turned in to the GM by the end of the same day, as required by OSHA, insurance regulations, and Company policy.

## New Melones Lake Concession Prospectus

### Exhibit E Operations

Table 7.20 - 6: Emergency Procedures and Coordinators

Type of Emergency	Action
Medical Emergency	Call 911
Chemical Spill	Call 911
Fire Or Explosion	Implement Emergency Evacuation Procedures
Emergency Evacuation	Meeting Places – for employees and guests Dock -across from gangway Yard -yard entrance gate
Safety violations by employees	Notify site safety officer
Hazardous conditions in workplace	Notify site safety officer or supervisor

### Spill Prevention Control and Countermeasure Plan

#### Emergency Procedures -in Event of a Fuel Spill at the Marina

##### Alert And Evacuate Immediate Area

Order all non-essential personnel away from the immediate area (off the dock); All engines should be shut down and remain so; All boats should remain in place unless directed otherwise by an authorized supervisor, or the General Manager.

##### Stop The Spill

If you know the problem, and can stop the spill quickly and safely -do so. If not, alert the store personnel to engage the emergency fuel shut-off procedure, and alert the closest supervisor to evaluate the situation. Follow their instructions.

##### Evacuation Meeting Place

Implement evacuation procedures for the dock. Advise all employees meet and remain at the meeting place located across the ramp from the gangway. The Dock Emergency Action Plan to be in effect.

New employees require orientation, and safety training meetings are mandatory.

### Fuel Pumps and Fuel Lines

All employees must be aware of location and operation of all emergency valves and shut-offs.

### In The Event of a Fuel System Spill

- Immediately notify store personnel to activate the ALL-STOP on the fuel computer and the EMERGENCY SHUT-OFF switch. The red switch is located on the exterior wall of the store at the southeast corner.

- Store personnel will supervise the dock evacuation and verify employee attendance with roll call at meeting place.
- If the problem is at a fuel dispenser -activate the emergency shut off switch. Notify Rental Supervisor, Safety Officer or Manager of the situation and inform them of all shut-down steps taken.
- The fuel system remains off until the General Manager determines otherwise.
- Booming, containment, collection and disposal of spilled fuel to be handled by the site supervisor, when authorized by the General Manager.
- In the event of an emergency, a Witness Statement by employees is required at the end of their shift, to be turned into the General Manager.

**SPCCP -Emergency Action Plan  
DOCK**

1. Evacuation of all guests and employees from the dock. Stay calm and orderly.
2. Meeting place: All employees will meet and be accounted for across road where walk ramp meets land.
3. A designated supervisor is to account for all employees, and will notify General Manager, Rental Supervisor, or Safety Officer of persons not accounted for.
4. General Manager or designated supervisor will shut off all emergency disconnect switches (FUEL, POWER, SEWER).
5. General Manager or designated supervisor will call 911 emergency dispatch.
6. Any and all witness statements or reports will be turned into the General Manager by the end of your shift on the day of the emergency. This time frame must be adhered to for compliance with the insurance and Cal-OSHA regulations. Be specific and brief.
7. The General Manager or designated supervisor is in charge of fire, explosion, and medical emergencies.

**Fuel System Emergency, Detailed Instructions**

Gas Pumps:

## New Melones Lake Concession Prospectus

### Exhibit E Operations

In the event of an emergency at one of the pumps (broken hose, etc), each pump has shut-off valves located under the locked panel at the base. Notify (radios generally used) the store to hit the ALL STOP button on computer. Supervisor(s) in charge will determine when it is safe to turn computer back on.

#### Gas Main Lines:

In the event of an emergency involving the "main dock lines", radio store to hit the ALL STOP button on computer.

If emergency involves the "main line" down the center of the dock, radio store to activate *All Stop* button, then go to wheel house and close the *Dry Break Valve*. (*Ball Valve* on fuel barge must also be shut off.) Then have store turn off *Emergency Shut-Off* switch on outside of building. As always, inform supervisors of steps taken.

#### Spill Containment:

Absorbent materials are located inside the wheel house on the dock, and in the shop.

#### Fuel on Water:

Gently place absorbent pad (fuzzy side down) over contaminated water and slowly skim area. DO NOT create turbulence, as this causes fuel to mix in water as opposed to floating. When pad has absorbed fuel, place it in strong plastic bag, bucket, or barrel, to be transferred to hazardous waste dumping facility.

#### Fuel on Land:

Create an earthen dike to prevent seepage to lake surface. The dike can be lined with absorbent materials. The vinyl booming can also be used as dike diversion.

#### Transfer of Hazardous Waste:

Contaminated materials are bagged and placed in the chemical room. They are picked up by Evergreen Environmental Services within 90 days. A manifest MUST be given by the driver as he takes custody of the materials.

#### 1. Potential Fire Hazards:

Gasoline – 12,000 gallon storage tank, fuel systems to the dock. Also stored in boat fuel tanks. Extremely flammable even as it floats on water.

Propane – 500 gallon storage tank on barge. Stored on many boats, pressurized tanks for heating and cooking, leaking propane will collect in low, confined spaces – very explosive.



Oil – Stored in many boats, and as waste oil.

Oily Rags – Rags soaked with oil, gas, diesel, or solvents.

**2. Employee Safety Responsibilities**

**Site Safety Officer**

- a. Location, implementation, and review of SPCC plan.
- b. Safety training of employees.
- c. Chair monthly employee safety meetings.
- d. Implementation of regular site inspection programs.

**3. Preventive Maintenance**

**Facility Maintenance, Rental Supervisor**

- a. Equipment maintenance, prevention of associated fire hazards.
- b. Prevent hazardous collection of oil rags at dock facility.
- c. Conduct regular fire safety inspections as directed by Site Safety Officer.
- d. Facility Maintenance -dock fuel systems.

**4. All Employees**

**General Safety Responsibilities**

All employees are required to report equipment problems, hazardous conditions, and potential problems to your immediate supervisor, another supervisor, or the Site Safety Officer. Do not operate equipment in an unsafe manner.

**Orientation Safety Training Checklist**

**1. Fuel System Orientation**

Walk entire fuel system line from main gasoline tanks to the gasoline dispenser pump locations. Locate all controls, valves, connections, purpose and operation of each item.

Accompanied by supervisor, check off each item.

- Visual inspection of storage tanks and containment area
- Dry Break Valve
- Ball Valve
- Dock Sump
- Solenoid Valve
- In-Line Levers
- Barge Sump
- Visual inspection, connection of flexible hose / galvanized product line on dock Note location / operation of Dry Break Valves

## New Melones Lake Concession Prospectus

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- Locate dispenser pumps
- Operation procedure
- Note location / operation of Shear Valves
- Note location / operation of Ball Valves
- At Store location, "Emergency Shut-Off" switch
- Fuel computer "All Stop" button
- Location of containment booming/absorbent materials

#### Location Of Emergency Meeting Place:

- Dock -Across road where walk ramp meets land

#### 2. General Safety Orientation

- Location / use of life saving (aquatic) equipment
- Location / use of fire extinguishers
- Location of first aid kit
- Location of "Chemical Room", hazardous materials
- Location of this plan, and MSDS binder
- Emergency Action Plan
- Hazard Communications
- Fire Prevention Plan

I have read the above, and understand my responsibilities:

Employee \_\_\_\_\_ Date \_\_\_\_\_

Supervisor \_\_\_\_\_ Date \_\_\_\_\_

**Spill Prevention Control and Countermeasure Plan for New Melones  
Lake Marina**

Prepared for New Melones Lake Marina  
P.O. Box 1389  
Angels Camp, CA 95222

Prepared by Condor Earth Technologies, Inc.  
21663 Brian Lane  
Sonora, CA 95370

March 2, 2001  
Condor Project No. 3088

Copyright 2001, Condor Earth Technologies, Inc.  
All Rights Reserved

Original Date of Plan: March 2, 2001  
Date of Last Plan Amendment/P.E. Certification:  
Date of Last Plan Review:

Designated Person accountable for spill prevention:  
Blaine Riggert – General Manager

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

### **Certification**

I hereby certify that I have examined the facility, and being familiar with the provisions of 40 CFR Part 112, attest that this SPCC Plan has been prepared in accordance with good engineering practices.

Engineer:	Robert J. Job
Signature:	(signed) Robert J. Job
Registration Number:	# 51592
State:	CA
Date:	March 27, 2001
Seal	

### **Spill Prevention Control and Countermeasure Compliance Inspection Plan Review Page**

In accordance with 40 CFR 112.5(b), a review and evaluation of this SPCC Plan is conducted at least once every three years. As a result of this review and evaluation, New Melones Lake Marina will amend the SPCC Plan within six months of the review to include more effective prevention and control technology if: (1) such technology will significantly reduce the likelihood of a spill event from the facility, and (2) if such technology has been field-proven at the time of review. Any amendment to the SPCC Plan shall be certified by a Professional Engineer within six months after a change in the facility design, construction, operation, or maintenance occurs which materially affects the facility's potential for the discharge of oil into or upon the navigable waters of the United States or adjoining shorelines.

Review Dates	<u>Signature</u>
--------------	------------------

- 1.
- 2.
- 3.

### **Management Approval**

The New Melones Lake Marina, General Partnership is committed to the prevention of discharges of oil to navigable waters and the environment, and maintains high standards for spill prevention control and countermeasures through regular review, updating, and implementation of this Spill Prevention Control and Countermeasures Plan for the New Melones Lake Marina.

Authorized Facility Representative:

Blaine Riggert

Signature: \_\_\_\_\_

Title: General Manager

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

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**1.0 Facility Owner and Operator**

**1.1 Facility Owner, Address, and Telephone**

New Melones Lake Marina, General Partnership  
P.O. Box 1389 Angels Camp, CA 95222  
(209) 785-3300

**1.2 Facility Operator, Address, and Telephone**

New Melones Lake Marina, General Partnership  
P.O. Box 1389 Angels Camp, CA 95222  
(209) 785-3300

**2.0 Facility Contact**

Name: Blaine Riggert  
Title: General Manager  
Telephone: (209) 785-3300

**3.0 Facility Description**

**3.1 Facility Operations**

The New Melones Lake Marina is a marina operated by the New Melones Lake Marina, General Partnership on an annual basis on New Melones Lake in Calaveras County, California. Hours of operation at the marina are from sunrise to sunset, 7 days per week. Personnel at the marina include one manager and five to thirty general workers depending on the seasonal workload.

The marina supplies gasoline to boats from two 6,000-gallon tanks contained in a concrete secondary containment. Gasoline is transported to gasoline pumps on the marina dock via a galvanized pipeline. There are flexible sections in the pipeline at the ends of the bridge and at the ends of the floating dock sections.

There are two modes of operation at the marina: high water mode and low water mode. The majority of the time the marina operates in low water mode. During low water operations, the flow of gasoline relies entirely on gravity and is controlled by a solenoid valve at the lower end of the marina access road. Flow from the tanks to the solenoid valve is entirely underground. Flow from the solenoid valve to the dock is above ground through galvanized pipe and flexible rubber hose. Piping to the pumps is under the dock through galvanized pipe connected by flexible rubber hose.

During high water mode, the underground piping is drained and closed, and fuel is routed through above ground galvanized piping from a solenoid valve at the top of the marina access road to the dock. A pump may be used to assist the flow during high water operations. Several valves located between the upper solenoid valve and the lower

## New Melones Lake Concession Prospectus

### Exhibit E Operations

end of the access road allow the flow to be shut off and the pipe to be drained and shortened to accommodate the changing water level.

Both upper and lower solenoid valves are housed in protective concrete cylinders. The upper solenoid valve and auxiliary pump are also contained within a locked chain link fence. Both solenoid valves are failsafe, with no flow permitted without being energized. The solenoid valves are activated by the fuel dispensers located on the docks. When a fuel dispenser is turned on the solenoids are energized allowing fuel to flow. An emergency shut off switch located at the marina shuts off all power to the solenoids and stops the flow to the dispensers.

An additional solenoid valve is to be installed at the fuel storage tank. This valve will help to prevent draining the entire contents of the tanks if the pipe between the tanks and the lower solenoid valve, or the lower solenoid valve, is damaged.

#### 3.2 Facility Storage – Aboveground Storage Tanks

Three 6,000 aboveground storage tanks are located near the marina above the maximum fill elevation of the reservoir. The tanks are located inside a concrete containment area. The tanks are identified as

Table 7.20 - 7: Tanks Identifications

Tank ID	Volume	Contents
#1 Gasoline	6,000 gallons	Unleaded gasoline
#2 Gasoline	6,000 gallons	Unleaded gasoline

#### 3.3 Drainage Pathway and Distance to Navigable Waters

The New Melones Lake Marina is docked on the shore of the New Melones Lake. Gasoline storage tanks are approximately 50 to 100 yards away from the marina, depending on water level.

#### 4.0 Spill History [112.7(A)]

Table 7.20 - 8: Spill History

Location/ Date/ Time of Spill	Type & Amount Spilled	Cause	Affected Watercourse	Damages & Cost of Damages	Cleanup Cost	Corrective Action
None	N/A	N/A	N/A	N/A	N/A	N/A



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5.0 Potential Spill Prediction, Volume, Rates & Control [112.7(B)]

Table 7.20 - 9: Aboveground Storage Tanks

Source	Type of Failure	Volume	Rate (gallon/hr)	Direction of Flow	Containment
#1 Gasoline	Rupture, leakage	6,000 gallons	>6,000 gal/hr	South	Concrete Sump
#2 Gasoline	Rupture, leakage	6,000 gallons	>6,000 gal/hr	South	Same containment as above

Table 7.20 - 10: Truck loading/Unloading Operations

Source	Type of Failure	Volume	Rate (gallon/hr)	Direction of Flow	Containment
Tank Truck Loading/Unloading Rack	Rupture, Piping failure, Valve Failure	Contents of trucks	>6,000 gal/hr	Southwest along road	None

Table 7.20 - 11: Marina Operations

Source	Type of Failure	Volume	Rate (gallon/hr)	Direction of Flow	Containment
Fuel Island, Marina, Bridge	Pump/pipe shear, solenoid valve open	Up to 12,000 gallons	Gravity flow	Into the lake	Concrete Sump
Fuel Island	Pump/pipe shear, solenoid valve closed	16.3 gallons per 100 ft. of 2 in. pipe	Gravity flow	Into the lake	Same containment as above
Fuel Island	Rupture, overfill, valve failure	<100 gallons	Nozzle flow reate	Into the lake	Booms

6.0 Prevention Measure Provided

6.1 Drainage Control Diversionary Structures and Containment [112.7(c)]

The gasoline storage tanks at the New Melones Lake Marina are housed in an above ground concrete containment sump 32 feet long, 24 feet wide and 6 feet deep. The containment sump has a total capacity of 34,470 gallons. Drainage from the sump is controlled by a locked valve.

Available on-site are 180' of sorbent booms, ten 18" x 25" sorbent pillows, and 150' of 36" x 3/8" sorbent sheeting. also available is a 500-gallon vacuum tank with hoses and a skimmer to remove any spill

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contained by the booms. In the event of a gasoline spill, an adequate number of persons from the Marina can be available at all times.

#### **6.2 Oil Spill Contingency Plan and Commitment of Manpower [112.7(d)]**

In the event of a gasoline spill at the New Melones Lake Marina, all personnel are trained in emergency spill response and are available to assist in containment and cleanup of a spill. Any gasoline spill will be given top priority.

##### **Oil Spill Contingency Plan:**

- 1 An attempt will be made to contain any gasoline spilled into the reservoir until cleanup is accomplished.
- 2 Determine the size, location, source, responsible party, and identification of substance, if possible.
- 3 Obtain necessary equipment to isolate and contain the spill. (Usually a sorbent or log boom would be used to contain and enhance the collection of the substance.)
- 4 If the spill is too large to be effectively contained and cleaned up by Marina personnel, contact a qualified contractor experienced in cleanup operations to perform the cleanup of the substance. A Marina representative should oversee the operation. The substance and used cleanup materials must be taken to an appropriate disposal site. The Marina is responsible to ensure that the contractor complies with this requirement.

A list of contractors that can provide petroleum clean up service can be found in Appendix 4.

#### **6.3 Drainage Control [112.7 (e) (1) (I-v)]**

- i. Drainage from diked storage areas: The secondary containment, which contains both gasoline tanks, is equipped with a manual valve for drainage of water after careful examination of the water for hydrocarbon sheen. If no sheen is observed, the valve is opened and the water is released to the ground surface. Drainage from the concrete structure around the storage tanks would flow south alongside the marina access road. Drainage of the secondary containment is documented on the form in Appendix 2.
- ii. Valves used on diked area storage: The concrete secondary containment is equipped with a manual valve for drainage.

The manual valve is locked closed unless an attendant is draining water from the containment. Retained storm water is inspected before drainage.

- iii. Plant drainage systems from undiked areas: Due to the nature of the facility and surrounding topography, it is not practical to provide diked drainage to all aboveground piping. Due to its location on the lake, drainage from all undiked areas flows directly or indirectly into the lake.
- iv. Final discharge of drainage: The storage tank area is engineered with secondary containment. In the event of an uncontrolled spill from the storage tanks, the gasoline would be contained in the concrete secondary containment. If the gasoline breached the secondary containment, surface drainage is towards the New Melones Reservoir Lake.
- v. Facility drainage systems and equipment:

In the event of equipment failure or human error at the storage tank location, the storage tank installation is designed with secondary containment to prevent gasoline from reaching the New Melones Lake. Drainage waters are inspected for sheen before they are released from the secondary containment.

#### 6.4 Bulk Storage Tanks/Secondary Containment [112.7 (e)(2)(i-xi)]

- i. Tank compatibility with its contents: The two aboveground storage tanks are constructed of welded steel and are compatible with the contents they hold. Both tanks are painted white to prevent corrosion. The tanks were purchased used and installed in 1989. The original date of construction of the tanks is unknown.
- ii. Diked area construction and containment volume for storage tanks: The tanks are in a concrete containment that measures 32 feet long, 24 feet wide and 6 feet deep. The total capacity of the containment is 34,470 gallons, sufficient to contain the entire spilled contents of both of the tanks plus precipitation.
- iii. Diked area, inspection and drainage of rainwater: Rainwater that collects in the storage tank secondary containment is inspected bi-weekly and following all major storm events for hydrocarbon sheen before it is discharged. Before opening the valve, the plant operator notes the appearance of the water and

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the time when the valve is opened. After drainage is completed, the plant operator closes and locks the valve and notes the time the valve was closed in the drainage discharge report.

- iv. If sheen is observed in the secondary containment area, a qualified contractor is contacted to remove and dispose of the contained water in accordance with federal, state, and local regulations.
- v. corrosion protection of buried metallic storage tanks: N/A. There are no buried metallic storage tanks at the New Melones Lake Marina.
- vi. Corrosion protection of partially buried metallic tanks: N/A. There are no partially buried metallic tanks at the New Melones Lake Marina.
- vii. Aboveground tank periodic integrity testing: Using the Fuel System Inspection Checklist found in Appendix 3, inspections of the storage tanks are conducted weekly for signs of deterioration, leaks or accumulation of gasoline inside diked areas.
- viii. Control of leakage through internal heating coils: N/A. The tanks are not equipped with internal heating coils.
- ix. Tank installation fail-safe engineered: The tanks are equipped with visual gauges that allow the tanks to be filled to a safe level. The gauges were inoperable at the time of this report. Tank level is measured using a dipstick and inventory is monitored. Visual gauges will be in working order and a tank overfill shut-off valve shall be installed as part of implementation of this plan.
- x. Observation of disposal facilities for effluent discharge: The New Melones Lake Marina does not have its own oil/water separator. Any gasoline leaked into the containment area is removed by a qualified contractor.
- xi. Visible gasoline leak from tank bolts, rivets, seams and gaskets: Visible oil leaks are reported to the General Manager immediately. Measures are taken to minimize and mitigate the leak while awaiting repair. Any spilled oil is cleaned up

following the New Melones Lake Marina Oil Spill Contingency Plan.

- xii. Appropriate position of mobile or portable oil storage tanks:  
N/A. There are no mobile or portable oil storage tanks at the New Melones Lake Marina.

**6.5 Facility Transfer Operations [112.7(e)(3)(i-v)]**

- i. Buried piping installation, protection and examination:  
The fuel delivery pipeline consists of three sections. The portion of the pipeline carrying fuel from the fuel storage tanks to the upper solenoid valve is buried, 2-inch fiberglass pipe. The fuel line then splits, with buried, 2-inch fiberglass pipe down to the lower solenoid and aboveground 2-inch galvanized pipe along the edge of the marina access road. During low water operations, the fuel travels through the buried pipe to the lower solenoid valve.
- ii. Not-in-service and standby terminal connections:  
Terminal connections in the tank truck loading/unloading area and aboveground piping along the marina access ramp are capped when not in use. All aboveground piping will be marked with product content, origin, and direction of flow upon implementation of this plan.
- iii. Pipe supports design:  
There are no pipe supports for the above ground pipeline from the top of the marina access road down to the marina. Piping under the marina rests in the corner of the cross-bracing structure of the dock. At the time of this report, the galvanized piping on the bridge was supported by nylon.

**6.8 Site Security [112.7(e)(9)(i-v)]**

- i. Fencing: The storage tank area and Marina are enclosed by steel mesh fencing and secured gates. The Marina gates are locked when the Marina is closed. The gate to the storage tanks is always locked.
- ii. Flow valves locked: A solenoid valve prevents discharge during non-working hours. Power is disconnected from the solenoid valves. A key is used to activate or lockout the control box. The control box also has an emergency shut-off button.
- iii. Starter controls locked: An electronic control box located near the cash register inside the Marina controls the power to the

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solenoid valves. A key is used to activate or lockout the control box. The control box also has an emergency shut-off button.

- iv. Pipeline loading/unloading connections capped: Pipeline connections are securely capped when they are not in use. All out of use pipelines are properly drained of their contents.
- v. Lighting adequate to detect spills: Lighting at the Marina is designed to support night operations. Portable lights and spotlights on boats can supplement this lighting. Lighting is adequate to detect spills during nighttime hours and prevent vandalism.

#### 6.9 Personnel Training and Spill Prevention Procedures [112.7 (e)(10)(i-iii)]

- i. Personnel instructions:  
All new employees are trained on the SPCC Plan during orientation.
- ii. Designated person accountable for spill prevention;
- iii. Spill prevention briefings: Spill prevention and countermeasure procedures are discussed during monthly safety meetings. Pertinent regulations and controls are discussed with all employees. Any near misses or incidents are discussed in order to prevent them from recurring. Employee feedback and recommendations are encouraged in spill prevention and operation. Sign-in sheets, which include the topics of discussion at each meeting, are maintained for documentation.

#### 6.10 Spill Control Equipment: Spill control equipment on-site includes sorbent pillows and sheets, 180"spillboom, brooms and shovels. The sorbent pillows and sheets are located in the reservation room area. The vacuum tank, skimmer, brooms and shovels are located on the south end of the marina building.

6.11 Emergency Contacts:

Table 7.20 - 12: Emergency Contacts

<b>Emergency Site</b>	<b>Emergency Contact Phone Number</b>
California Office of Emergency Services	(800) 852-7550
National Response Center	(800) 424-8802
California Department of Fish and Game	(916) 323-0635
California Highway Patrol	911 or (209) 754-3541
California Division of Forestry, Fire Department	911
EPA Spill Report (OSC for CA and NV)	(415) 556-5105 (FTS) 454-8131
EPA Regional Office IX	(415) 556-5105
New Melones Lake Field Office Office Hours	(209) 536-9094
New Melones Lake Field Office Off Hours	(760) 549-3866

7.0 Limitations

This SPCC Plan was written in conformance with the Federal Oil Pollution Prevention regulation found in Title 40 of the Code of Federal Regulations Part 112 (40 CFR part 112). The SPCC Plan is based on information provided by New Melones Lake Marina. No independent mechanical or integrity inspection of the fueling system and its operation, components and features was performed.

The scope of work did not include review of compliance with state and local building, fire or electrical codes. At the time of this report, there were no standard design specifications written specifically for marina fueling facilities. Future design specifications should be reviewed when available and appropriate system modifications be made at that time.

New Melones Lake Marina is solely responsible for implementation of this SPCC Plan. This plan is not complete without full implementation of the requirements of 40 CFR Part 112 and of the recommendations found in the letter provided with this report. Condor cannot and does not guarantee, assure or warrant that spills and/or releases will not occur at the facility.

**Appendix 1**

Secondary Containment Calculations For Diked Storage Areas

Containment Calculation:

The gasoline storage tanks are located in a concrete sump 32 ft long by 24 ft wide by 6 ft deep.

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Volume = 32" x 24" x 6" = 4,608 cubic feet = 34,470 gallons

#### Appendix 2

Drainage Discharge Report Form:

Table 7.20 - 13: Drainage Discharge Report Form

Date	Sheen Yes*/No	Time Containment Valve Opened	Time Containment Valve Closed	Comments	Name of Operators	Signature of Operators

\*If yes, STOP!, Do not drain. Contact General Manager



## Exhibit E Operations

## Appendix 3

[illegible]

Figure 7.20 - 3: Facility Inspection Checklist

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

### **Appendix 4**

List Of Contractors That Provide Petroleum Cleanup Services:

- |                            |               |   |
|----------------------------|---------------|---|
| 1. LC Service:             | (559)444-1730 | 527 N. Parkview Dr.<br>Fresno, CA 93728 |
| 2. Shaw's Maintenance Inc: | (209)668-8436 | PO Boc 3610<br>Turlock, CA 95381        |

### **Workers Compensation Fraud**

I, \_\_\_\_\_ understand, as an employee of New Melones Lake Marina, that any person who makes or causes to be made any knowing false or fraudulent material statement or material representation for the purpose of obtaining or denying workers compensation benefits or payments is guilty of a felony.

If found guilty, you may be fined up to \$50,000.00 and sentenced up to 5 years in prison.

I understand the above statement in regards to workers compensation fraud.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

### **Assisting Individuals with Disabilities**

Our marina facilities are designed to be wheelchair compatible. However, at times, due to the fluctuation of the lake levels, loading and unloading may be difficult. Naturally this creates even more of a hardship for individuals with disabilities. Therefore, every possible effort should be made to assist a disabled person onto our docks and our boats.

- 1 Offer assistance in getting wheelchair onto the docks.
- 2 Always make sure the dirt pathway leading to the docks is kept free of rocks and debris by raking and scraping as needed.
- 3 Once the houseboat is ready for boarding, offer assistance in getting on board.
- 4 At times, the person may not be wheelchair bound but for various health reasons is unable to walk very far. Use of a patio boat may help to transport the guest from the shoreline to the dock or to the pavilion area if the boat is not ready.
- 5 When assisting a wheelchair bound person onto their houseboat, always have at least one other employee working with you to insure customer safety as well as your own.
- 6 As with all of our guests, it is our duty as employees to make their stay the most memorable and enjoyable vacation they have ever had.

I have read and understand these policies and procedures and agree to abide by them.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

### ***B. Operations Safety Training***

- 1 Safety Training – Fuel System
- 2 Safety Training – Propane System
- 3 Safety Training – Septic System including Maintenance & Operation
- 4 Safety Training – Dock Winch
- 5 Safety Training – Forklift
- 6 Safety Training – Hand & Power Tools
- 7 Safety Training – Hazardous Energy Control Program
- 8 Safety Training – Lifting & Handling
- 9 Safety Training – Vehicles
- 10 Safety Training – Department Specific

#### **1 Safety Training – Fuel Dispensing**

##### **New Melones Fueling Guidelines**

- Know where the nearest fire extinguisher is located.
- Secure boat to dock.
- Turn off engine, electrical systems, and any other sources of ignition.
- No smoking.
- Fill portable (fishing boat type) tanks on dock.
- Remove nozzle from pump, keeping the nozzle pointed up at all times.
- Place nozzle in fuel tank receptacle.
- Turn on the pump.
- Fuel the vessel with your hand on the nozzle at all times.
- DO NOT TOP OFF THE TANK.
- Turn off pump.
- Pull nozzle out of receptacle and return it to the pump.
- Replace fuel tank cap.
- Clean up any spillage.
- Check for any fuel odors.
- Ventilate fuel storage area.
- Run bilge blower before starting engine

##### **Employee Fueling Checklist**

I have been trained to safely operate the fuel dispensing system at New Melones Lake Marina. I have also been informed of the hazards to both myself and the environment when dealing with gasoline.

Topics covered:

- Hazards when handling gasoline
- Precautions to take when dealing with gasoline
- Informed of hazards to the environment
- How to correctly fuel a vessel
- How to turn the system “OFF” & “ON”
- Corrective actions to take if system is not operating correctly
- Received, read, & understand Emergency Action Plan for Gasoline system.

Employee\_\_\_\_\_Date\_\_\_\_\_

Supervisor\_\_\_\_\_Date\_\_\_\_\_

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#### Fuel System

Tank, Piping, Dispensers

Daily -Visually inspect the following for any signs of leakage (weeps, seeps, puddles, discoloration of pipe, fuel in containment boxes, etc.). All leaks must be reported and corrected before fuel system can be operated.

Table 7.20 - 14: Signs of Leakage Inspection Checklist

Location	Leak detected	*If yes, corrective actions taken	Initial
Storage Tank			
Tank containment	*Yes/No		
Dock Piping			
Sump #1	*Yes/No		
Fifth Wheel #1	*Yes/No		
Fifth Wheel #2	*Yes/No		
Fifth Wheel #3	*Yes/No		
Dispenser			
# 1	*Yes/No		
# 2	*Yes/No		
# 3	*Yes/No		
# 4	*Yes/No		

Comments:

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Inspector: \_\_\_\_\_ Date: \_\_\_\_\_

## **2 Safety Training – Propane Dispensing**

### **Certified and Trained Staff Only**

- Make sure the power to the fill station is turned on.
- Check the manufacture date. It must be less than 12 years.
- As of April 1, 2002 all tanks must have an OPD Valve.
- Check for OPD markings on handle and valve.
- Check tank for the proper protection for the valve.
- Check for dents and/or major rust markings.
- If you have any concerns about filling a tank, contact your supervisor.

Once The Tank Has Been Checked And Meets All Of The Requirements, You Can Proceed To Fill The Tank.

Note: Ensure that the area is safe to dispense propane (boat motors turned off, no smoking, etc.) Freeze burns from contact with propane can be extremely painful. Propane-resistant gloves must be used when filling propane tanks.

- Reset the counter to “00.0/10”
- Secure the nozzle to tank valve.
- Shut off back flow release valve.
- Open tank valve handle.
- Open bleeder screw.
- Turn on power lever on propane station.
- With OPD valve, propane will shut off automatically.
- Close the bleeder screw.
- Turn off power lever on propane station.
- Close handle on tank valve.
- Open back flow release valve.
- Now remove nozzle from tank valve.

Employee\_\_\_\_\_Date\_\_\_\_\_

Supervisor\_\_\_\_\_Date\_\_\_\_\_

### **3 Safety Training – Septic System**

The pump-out system in general is a vacuum type pump. When activated, suction is created within the septic piping system. When a flex hose is attached to a boat and the valves are in the open position, the suction draws sewage from boat through system piping in the dock to the tank. Once at the pump, the waste is transferred through flex hose and above ground piping to the 6000 gallon above ground holding tank. The liquid waste is transferred by septic truck to the sanitation pond as needed.

#### **Operation of System**

Before any employee operates the pump out system he/she must be trained how to properly operate the system and be informed of the hazards to themselves and the environment when dealing with sewage. Employees also must understand the proper procedures & protocols if the system does not operate correctly, or if a leak is detected.

These steps must be followed to ensure proper function of the system. Any deviations must have proper authorization and must be documented in this form before instrumentation.

- 1 Turn the system off by pressing both RED buttons on the control panel at the pump.
- 2 Take end of “flex” hose and slide end over “septic” camlock fitting on the boat. If the An adapter may be required for some boats.
- 3 Once hose fitting is seated onto the boat fitting, flatten the camlock levers.
- 4 Open ball valve closest to the fitting by turning handle parallel “in line” with hose.
- 5 Turn system on by pressing both GREEN buttons on the control panel at the pump.
- 6 To insure proper function of system view hose to see fluid flowing from boat to dock system. If you do not, repeat steps 4, 5 & 6.
- 7 Continue to operate system until all fluids have been removed.
- 8 Once removal is complete, press both RED buttons on the control panel at the pump.
- 9 Close the valve near the camlock by turning valve handle perpendicular to hose.
- 10 Release the camlock holding fittings together, by flipping them up and away from hose.



- 11 Gently remove hose from boat. Keep hose end “upright” to avoid residue drip.
- 12 Hold end of hose “upright” and open valve for a brief suction. This removes any residue remaining in hose.
- 13 Again, close valve on end of hose.
- 14 Turn pump off by pressing both RED buttons on the control panel at the pump.
- 15 Hang up hose in the upright position.

Stop -If at any time the system does not appear to be operating correctly, or if you detect a leak within the pump-out system. Turn system *OFF*. Notify your supervisor immediately.

Do not attempt to correct problem unless instructed by your supervisor to do so. System must not be operated unless corrections have been completed. Any and all repairs to be done on the system must follow the manufacturer Operation & Maintenance Manual.

I have been trained to operate the pump out system at New Melones Lake Marina. I also have been informed of the hazards to both the environment and myself when dealing with sewage.

- Hazards and precautions to take when dealing with sewage (rubber gloves, eye protection, etc.)
- Informed of hazards to the environment
- How to correctly connect the system to a vessel
- How to turn system OFF & ON
- Corrective actions to take if system is not operating correctly
- Being trained, and understand the responsibilities of the pump-out operation.

Employee\_\_\_\_\_Date\_\_\_\_\_

### **Safety Training – Septic System Including Maintenance Schedule & Inspection Guidelines**

The following is a maintenance & inspection schedule to be conducted by resort personnel. It must be followed to ensure trouble-free operation and to reduce the chances of contamination entering New Melones Lake. All inspections must be documented using the Septic System Inspection Form. Additional documentation may be required when scheduled or unscheduled repairs are conducted.

#### **Maintenance Schedule:**

##### **Pump Motor:**

Daily: Inspect for frayed wiring, signs of overheating (burnt smell, discolored paint), mounting bolts and brackets.

Maintenance: None- bearings are sealed. Any malfunction must be corrected by authorized personal.

##### **Dock Plumbing:**

Monthly: Inspect for cracks or wear on piping. Ensure all hanger brackets are secured. (Remove dock plates to complete inspection).

Maintenance: Repair as needed.

##### **Shore Piping:**

Daily: Inspect for leaks on all couplers and connections.

Maintenance: Repair/Replace as needed.

##### **Storage Tank:**

Daily: (When in service) Inspect for fullness (1/4, 1/2, 3/4, full). Check all connections for leaks.

Maintenance: Repair/Replace as needed. Pump solids on a periodic basis or as needed.

#### **Septic System Inspection Form**

Inspect the following as instructed in the Maintenance Schedule & Inspection Guidelines. At anytime the system needs maintenance or a leak is detected do not operate until corrected. Documentation must follow every repair scheduled or unscheduled.

Table 7.20 - 15: Septic System Inspection Form

Items	Septic Leak Detected	Repair Needed	Scheduled Maintenance Conducted
Pump Motor:	Yes/No	Yes/No	Yes/No
Dock Plumbing:	Yes/No	Yes/No	Yes/No
Flex House/Shore	Yes/No	Yes/No	Yes/No
Shore Piping	Yes/No	Yes/No	Yes/No
Storage Tank:	Yes/No	Yes/No	Yes/No

Storage Tank Fullness      1/4      1/2      3/4      full \_\_\_\_\_

Comments \_\_\_\_\_  
\_\_\_\_\_

Inspector \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_

### **Safety Training Checklist – Septic System**

#### **Employee Septic System Checklist**

I have been trained to operate the pump out system at New Melones Lake Marina. I also have been informed of the hazards to both the environment and myself when dealing with sewage.

#### **Topics covered:**

- Hazards when handling sewage
- Precautions to take when dealing with sewage (rubber gloves, eye protection, etc.)
- Informed of hazards to the environment
- How to correctly connect the system to a vessel
- How to turn system off & on
- Corrective actions to take if system is not operating correctly Been trained, and understand the responsibilities of the pump-out operation.

Employee \_\_\_\_\_ Date \_\_\_\_\_

Supervisor \_\_\_\_\_ Date \_\_\_\_\_

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

### **4 Safety Training – Dock Winch**

#### **Safety**

- 1 Only trained employees may operate winch.
- 2 Before operating, make sure winches are clean, lubricated, and in good condition.
- 3 Report broken winches immediately to the Facilities Supervisor, or Safety Officer.
- 4 Keep loose clothing tucked in, and long hair tied back - while operating winch. Keep hands clear of moving parts.
- 5 5. Make sure the dog is locked down against the geared wheel before leaving winch.

#### Stringing cable onto the winch

- 1 Loosen cable peg on the spool with crescent wrench.
- 2 Insert end of cable into set hole on spool and tighten cable peg.
- 3 Hammer cable where it exits the set hole so that it lays flat against the spool.
- 4 Insert splined crank into side of winch.
- 5 Crank winch counter-clockwise while a partner guides the cable in an orderly manner onto the spool with a hammer. Keep hands away from cable as it winds onto spool.

Note: A high torque drill may be used in place of the hand crank.

#### Removing cable off the winch

- 1 Insert splined crank into side of winch.
- 2 Crank counterclockwise just enough to relieve tension against the dog.
- 3 Set brake lever by pulling it away from the winch.
- 4 Remove hand crank.
- 5 Pull dog away from the gear wheel until it clicks into place.
- 6 Let brake off slowly being careful not to let the spool spin too fast.

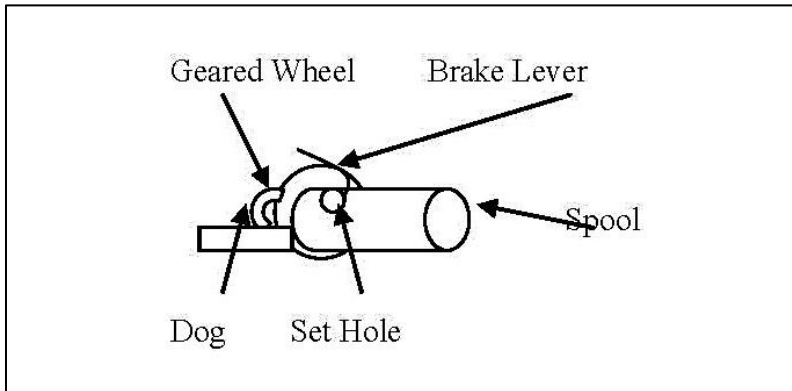


Figure 7.20 - 4: Dock Winch

I have read the above Dock Winch Training guidelines and understand my responsibilities when operating the winch.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

## 5 Safety Training – Forklift Operations

### Forklift Operations

All forklift operations must meet all of the standards in Reclamation Safety and Health Standards, section 20.10.

**20.10.0 Requirements for Industrial Trucks** All industrial trucks must meet the requirements for design, construction, stability, inspection, testing, maintenance, and operation as required for safe use. High-lift rider trucks shall be equipped with overhead guards (ANSI B56.1).

**20.10.1 Inspection.** Perform and document industrial truck inspections according to the manufacturer's operating manual before the trucks are operated.

**20.10.2 Lift Trucks and Stackers.** Post capacity plates on lift trucks and stackers within the operator's view. When removable counterweights are used, the operator must not exceed the corresponding rated capacities. Do not make modifications affecting the capacity or safe operation of the equipment without the manufacturer's written approval or without making corresponding revisions to the capacity plates.

**20.10.3 Steering Knobs.** Do not attach steering or spinner knobs to the steering wheel unless the steering mechanism is of a type that prevents road reactions from causing the steering wheel to spin. Mount the knob within the periphery of the wheel.

**20.10.4 Lifting Personnel.** Do not use powered industrial trucks for hoisting personnel.

**20.10.5 Rail Car and Semi-Trailer Lifting.** Take positive steps to prevent the movement of the car or trailer before using an industrial truck to load or unload a rail car or "over the road" trailer. Positively fasten ramps or dock plates in place to prevent accidental movement.

**20.10.6 Multiple Lifting.** Do not lift a load using more than one lift truck, unless a task specific job hazard analysis has been prepared and approved by the office head. The load lifted by each truck must not exceed 80 percent of its rated capacity when used in conjunction with other trucks.

**20.10.7 Battery Charging.** Recharge battery operated industrial trucks in designated areas that have been evaluated to ensure ventilation is adequate to prevent the accumulation of flammable and explosive gasses; and, ensure there are no flammables or combustibles in the area.

- 20.10.8 Operator Training.** Train and evaluate employees before assigning them to operate powered industrial trucks. Train operators as specified in 29 CFR 1910.178(l)(3). Include the name of the operator, the date of the training, the date of the evaluation, and the identity of the person(s) performing the training or evaluation in the certification that the training and evaluation has been completed. A training program must consist of the following three parts:
1. Formal instruction that includes lectures, discussions, interactive computer learning, videos, or written material.
  2. Practical, hands-on training that includes demonstrations performed by the trainer and practical exercises performed by the trainee. Conduct the training on the particular equipment the trainee will be operating on the job.
  3. Evaluate the operator's ability to handle the truck safely in the workplace.

**20.10.9 Frequency of Evaluation.** Evaluate each operator's performance periodically, but at least once every 3 years.

**20.10.10 Refresher Training.** Training should include the following:

- Surface conditions
- Load stability
- Lifting different types of loads
- Putting down a load
- Working with stacks
- Traveling tips
- Hazardous locations

Activities and environments employee will be working in  
If one of the following occurs, provide refresher training:

1. The operator was involved in an accident or near miss incident.
2. The operator was observed operating the vehicle in an unsafe manner.
3. The operator was evaluated as needing more training.
4. Changes in the workplace could affect safe operation (such as a different type of paving, reconfigured storage racks, new layouts with narrower aisles or restricted visibility, or the operator is assigned to a different type of truck).

## **New Melones Lake Concession Prospectus**

### **Exhibit E Operations**

- To provide training in the safe operations of industrial trucks.
- To provide a safe operating industrial truck to use.
- Explain any hazards that may be present in their operating environment.
- Instruct each operator on other rules, regulations, or practices specified by New Melones Lake Marina manager at the location where the industrial truck will be used.
- Before giving authorization to operate an industrial truck, New Melones Lake Marina general manager must approve of each operators skills in load handling, maneuvering, traveling, stopping, starting, and other activities under the conditions which will be encountered in the use of the truck.

#### **Safety Training – Forklift Rules**

##### **Safety Rules For Forklift Operators**

All forklift operations must meet all of the standards in Reclamation Safety and Health Standards, section 20.10.

1. Operators must be trained and authorized.
2. Inspect the lift at the start of each shift. Report damage or faulty operation to the supervisor. Do not operate until corrected.
3. Do not refuel with the engine running.
4. Fasten your seat belt.
5. Always keep a proper lookout in the direction of travel. If forward view is obstructed, travel in reverse. Avoid sudden stops or starts. Keep full control of the truck at all times. Avoid bumps, holes, slick spots, and loose materials.
6. Sound the horn at doors and blind corners. Travel slowly in these areas. Never drive up to anyone who is standing in front of a bench or other fixed object.
7. No riders. Use an approved, secured safety platform when lifting personnel.
8. Keep head, arms, legs, etc. inside the operator's compartment and clear of the hoisting mechanism.
9. Allow no one under the load or carriage.



## **New Melones Lake Concession Prospectus**

### **Exhibit E Operations**

10. Watch clearance of forks, mast, overhead guard, tail-swing, and the swing of wide or long loads. Avoid lifting anything if it appears that it could fall on the operator or a bystander. Handle only stable loads. Do not allow unsecured loads to extend above the load backrest extension.
11. Do not turn on an incline. Make turns slowly. Do not travel with the load raised.
12. Handle loads within the rated capacity, keeping the load against the carriage. Center the weight of the load between the forks.
13. On grades of 10% or more, keep the load upgrade. Keep the forks downgrade when traveling without a load.
14. Lift and lower with mast vertical or tilted slightly back. Tilt elevated load forward only when directly over unloading place. If load or lifting mechanism is elevated to pick up a deposit a load, keep tilt in either direction to a minimum.
15. When leaving the truck, lower the carriage completely, set the brake, and shut off the engine. If parking on an incline, or working on the truck, be sure to block the wheels.
16. Drive carefully, observe safety rules, and be constantly aware of pedestrians. Read the operator's manual furnished with the truck or available from lift truck dealers.

Employee\_\_\_\_\_Date\_\_\_\_\_

Supervisor\_\_\_\_\_Date\_\_\_\_\_

## New Melones Lake Concession Prospectus

### Exhibit E Operations

#### Operator's Daily Checklist

Industrial Truck – International Combustion Engine  
Gas/PG/Diesel

Daily, pre-shift inspection of powered industrial trucks is required by OSHA standards.

Date					Operator					Fuel	
Truck#					Model#					Engine Oil	
Department					Serial#					Radiator Coolant	
Shift					Hour Meter					Hydraulic Oil	

Figure 7.20 - 5: Pre-shift inspection of powered industrial trucks

#### Safety and Operational Check Prior to each Shift

Table 7.20 - 16: Safety and Operational Check

<b>Engine OFF Checks</b> <b>Have a qualified mechanic correct all problems.</b>	<b>Init</b>	<b>Init2</b>	<b>Init3</b>	<b>Init4</b>	<b>Maintenance</b>
Leaks - Fuel, Oil or Coolant					
Tires - Condition and Pressure					
Forks, Top Clip Retaining Pin and Heel					
Load Backrest - Securely Attached					
Hydraulic Hoses, Mast Chains, Cables and Stops - Check Visually					
Overhead Guard					
Finger Guards					
Safety Warnings - Attached					
All Engine Belts - Check Visually					
Hydraulic Fluid Level - Check Level					
Engine Oil Level - Check Dipstick					
Radiator Coolant - Check Level					
Operator's Manual In Container					
Capacity Plate Attached					
Seat Belt - Functioning Smoothly					
Hood Latch - Adjusted and Securely Fastened					

Table 7.20 - 17: Safety and Operational Check

<b>Engine ON Checks - Unusual Noises Must Be Investigated Immediately</b>	<b>Init</b>	<b>Init2</b>	<b>Init3</b>	<b>Init4</b>	<b>Maintenance</b>
Accelerator or Direction Control Pedal - Functioning Smoothly					
Service Brake - Functioning Smoothly					
Parking Brake - Functioning Smoothly					
Steering Operation - Functioning Smoothly					
Drive Control - Forward/Reverse - Functioning Smoothly					
Tilt Control - Forward and Back - Functioning Smoothly					
Hoist and Lowering Control - Functioning Smoothly					
Horn and Lights - Functioning					
Gauges: Functioning					

## **6 Safety Training – Hand and Power Tools**

### **Hand Tools**

1. Do not use battered, mushroomed or otherwise faulty tools. Turn them in to your supervisor for repair or replacement.
2. Handles on sledges, axes or hammers must be securely fastened with a wedge and must be made of sound material.
3. Do not alter wrenches by adding handle extensions.
4. Always check behind you before swinging a hammer or a sledge.

### **Power Tools**

5. Portable electric tools must be properly grounded.
6. Do not use electrical equipment with frayed or otherwise deteriorated insulation.
7. Turn in defective electrical equipment to your supervisor for any needed repairs or replacement.
8. Do not remove guards from any power tools including grinders.
9. Do not break off grounding prong on any power tools or portable electrical tools.
10. Do not break off grounding prong on any extension cord.
11. Always use extreme caution when working with power tools around water.

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**Operations**

I have read and understand the above safety rules for hand tools and power tools.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

## **7 Safety Training – Hazardous Energy Control Program**

### **Lockout Procedure for New Melones Lake Marina**

#### **Purpose**

This procedure establishes the minimum requirements for the lockout of energy isolating devices whenever maintenance or servicing is done on machines or equipment. It shall be used to insure that the machine or equipment is stopped, isolated from all potentially hazardous energy sources and locked out before employees perform any servicing or maintenance where the unexpected energizing or start-up of the machine or equipment or release of stored energy could cause injury.

#### **Employee Compliance**

All employees are required to comply with the restrictions and limitations imposed during the use of a lockout. Authorized employees are required to perform the lockout in accordance with procedure. All employees, upon observing a machine or piece of equipment that is locked out to perform servicing or maintenance shall not attempt to start, energize or use that machine or equipment.

#### **Sequence Of Lockout**

1. Notify all affected employees that servicing is required on a piece of equipment and that the equipment must be shut down and locked out to perform the servicing or maintenance.
2. The authorized employee shall refer to the company procedure to identify the type and magnitude of the energy that the machine or equipment utilizes, shall understand the hazards of the energy, and shall know the methods to control the energy.
3. If the machine or equipment is operating, shut it down by the normal stopping procedure (depress stop button, open switch, close valve, etc.).
4. De-activate the energy isolating devices so that the machine or equipment is isolated from the energy sources.
5. Lock out the energy isolating devices with assigned individual lock(s).
6. Stored or residual energy (as in capacitors, springs, elevated machine members, rotating flywheels, hydraulic systems, and air, gas, steam, or water

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### Exhibit E Operations

- pressure, etc.) must be dissipated or restrained by grounding, repositioning, blocking, bleeding down, etc.
7. Ensure the equipment is disconnected from energy sources by first checking that no personnel are exposed, and then verify the isolation of the equipment by pushing “on” button or other operating controls or by testing to make certain the equipment will not operate.
  8. Caution: Return controls to neutral or OFF position after verifying the isolation of equipment.
  9. The machine or equipment is now locked out.

#### Restoring Equipment to Service

When the servicing or maintenance is completed and the machine or equipment is ready to return to normal operating condition, the following steps shall be taken:

1. Check the machine or equipment and the immediate area around the machine or equipment to ensure that nonessential items have been removed and that the machine or equipment components are operationally intact.
2. Check the work area to ensure that all employees have been safely positioned or removed from the area.
3. Verify that the controls are in neutral.
4. Remove the lockout devices and reenergize the machine or equipment.
5. Note: The removal of some forms of blocking may require re-energizing of the machine before safe removal.
6. Notify affected employees that the servicing or maintenance is completed and the machine or equipment is ready for use.

I have read and understand the above safety rules for Hazardous Energy Control.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

## **8 Safety Training – Lifting And Handling**

- Do not try to lift too much. Get help on heavy loads or use the hand truck.
- To lift, use the large muscles of the legs instead of the smaller muscles in the back.
- Do not overload material moving equipment.
- Do not stand or walk under loads.
- Do not ride on loads or equipment unless specifically ordered to do so by your supervisor.
- Always use chains or ropes that are strong enough for the work intended.
- Inspect them for defects prior to using them on any job.
- Never put a strain on a chain or wire rope that is kinked.
- Never tie knots in chains or wire ropes. Worn, frayed or kinked wire or manila rope should be turned in to your supervisor.
- Keep fingers clear of nip points where ropes or cables meet the blocks or sheaves.
- Crane or hoist operators must be certain that the area is all clear before starting.
- Do not move cranes with hooks swinging at full length.

I have read and understand the above safety rules for lifting and handling of materials.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

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## **Exhibit E Operations**

### **9 Exhibit E Safety Training Vehicle Operations**

1. At New Melones Lake Marina, all operators of company vehicles must be authorized, and maintain a proper current California drivers license for the vehicle driven.
2. All operators must drive carefully and observe all safety rules.

### **Current Types Of Vehicles At New Melones Lake Marina**

1. International truck & Houseboat trailer (Class A License required)
2. Clark 9 Ton Forklift (Certified Drivers only)
3. Septic Truck
4. Pick-up Trucks GMC Sierra Ford F-150 Chevy S-10
5. Pioneer Club Car
6. Two Electric Golf Carts
7. Two Kawasaki 250 ATVs

### **Uses For Vehicles Listed**

1. International truck & Houseboat trailer typically are used to transport the rental boats from the lake to the yard, and from the yard to the lake.
2. The forklift is used to transport concrete weights to the launch ramp, to move heavy objects in the storage yard and moving the dock bridge up or down the service road. (Currently we have 6 certified drivers)
3. The septic truck is solely for transport of sewage from the Marina to the septic field.
4. The GMC, S-10, and F-150 pick up trucks are used to pick up small supplies from local areas. They are also used for Pilot trucks when transporting Houseboats.
5. The Pioneer Club Car is primarily a maintenance service vehicle used to carry supplies from the yard warehouse to the Marina.
6. The Golf Carts are for transporting supplies and/or luggage to the Marina. They have one seat for a passenger to assist the elderly and the disabled.
7. The ATVs are one-person vehicles. Their size and design allow for efficient transport of the luggage wagons on the service road.

Type of Vehicle: \_\_\_\_\_

Year: \_\_\_\_\_ Make: \_\_\_\_\_ Model: \_\_\_\_\_



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**Operations**

Date	Type Of Service	Work Completed by
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Miscellaneous Notes:

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**10 Department safety training – Department Specific**

**Dock hand**

1. Do not sit or stand on, railings or tie lines on any boat, at any time, for any reason.
2. Use extreme caution when walking on wet decks.
3. Prevent trip hazards. Keep decks clear of hoses and cleaning items.
4. When lifting, use the large muscles of the legs, not the smaller back muscles.
5. Move heavy loads (propane bottles, etc.) with a hand truck to prevent back injuries.
6. When your task is completed, clean up your work area and put away all supplies and tools (hoses, deck brushes, etc.) before going on to a different task.
7. Report all injuries to your supervisor or the site safety officer immediately.

I have read and understand the Dock Hand safety rules.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

**Orientator**

- \_\_\_\_\_ CA Dept of Boating and Waterways – Safe Boating Course
- \_\_\_\_\_ ABC's of Boating – CA DBAW
- \_\_\_\_\_ Safety Video / Instruction
- \_\_\_\_\_ Small Boat Fleet Operation / Instruction
- \_\_\_\_\_ Eclipse Vessel Operation / Instruction
- \_\_\_\_\_ Odyssey Vessel Operation / Instruction
- \_\_\_\_\_ Escapade Vessel Operation / Instruction
- \_\_\_\_\_ Instruction on Potential Prop Hazards and Alcohol Issues
- \_\_\_\_\_ Oral Exam using the Houseboat Orientation Checklist
- \_\_\_\_\_ Participation in an Orientation with the Rental Supervisor

I have completed the Orientator Safety Training and feel comfortable with the operation of the vessels, Resort policies and ABC's of Boating.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

**Housekeeper**

1. Wear safety glasses for overhead or ceiling cleaning. Do not use sprays directly over your head. Eye injury may occur. Stand back and direct spray toward ceiling area, then wait for spray to dissipate.
2. When cleaning the bathrooms, gloves must be worn the entire time! Your sponge may have picked up some germs off the surfaces you have cleaned.
3. Gloves must be worn when using the oven cleaner. It can cause severe burns to your hands or any skin that it comes into contact with.
4. Before using any of the cleaning products, read the entire label so you will know what precautions to take. Never assume that the chemical is the same as a similar product you have used in the past.
5. Report every injury to your supervisor or the safety officer immediately, even if it is minor. Every injury has to be documented on the day it happened. If your supervisor is not available, report it to an available supervisor.

I have read and understand the above safety training for housekeeping.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

**Marine Technician**

1. Lock out keys are to be used when working on a motor or generator in the boats, to prevent accidental starting while you are working on them.
2. As required, wear the proper eye protection for the job you are performing.
3. When welding, use the proper eye shield to prevent injury.
4. Goggles and gloves must be worn when working around solvents and corrosives.
5. Wear safety glasses when working around the batteries (charging in the battery room.)
6. Never remove safety guards from any equipment that requires one be in place (i.e.: grinders, saws, etc.)
7. When lifting, use the large muscles of the legs, not the smaller muscles in the back.
8. Use the hand truck for heavy loads. Ask for assistance on large loads.

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9. Daily maintenance checks must be done on equipment  
(i.e.: welding torches, cutting torches, etc.)

I have read and understand the above safety rules for Marine Technicians.

Employee Signature\_\_\_\_\_ Date\_\_\_\_\_

**C. Emergency Safety Training**

Safety Training -Emergency / Hazard Communication Safety Training -  
Fire Prevention Plans Safety Training -Emergency Action Plans

**2012 ~ 2014 Emergency Response Plan**

- **Emergency Contacts**

**Primary: Secondary:**

Name: Blaine Riggert Name: Erik Guy Business Phone: (209) 785-3300 Business Phone: (209) 785-3300 24-hour Phone: (209) 743-7572 24-hour Phone: (209) 890-9004 Title: General Manager Title: Rental Supervisor

For State / Federal Planning: We handle No Extremely Hazardous Substances No Acutely Hazardous Materials There are No Schools / No Hospitals / No Extended Care Facilities within 1,000 feet (straight line distance) of the facilities.

**Emergency Notification**

The person responsible for making these phone calls is: Blaine Riggert, General Manager If not available, the person responsible for making these calls is: Erik Guy, Rental Supervisor

Emergency: 911 will be called. Use the following numbers if the 911 system is inoperative: Sheriff: (209) 754-6500 Fire: (209) 754-6639 Ambulance: (209) 754-3896

U.S.B.R. Emergency Dispatch: (209) 536-9094 Calaveras County Division of Environmental Health: (209) 754-6399 State Office of Emergency Services: (800) 852-7550 or (916) 262-1621 National Response Center: (800) 424-8802 Hazardous Waste Handlers: Lowry Oil Co. (800) 310-0331 Environmental Clean-Up Company: Lone Eagle Tech (209) 736-0509

**Maintenance Personnel**

Employee most able to assist emergency responders in controlling release: Blaine Riggert (209) 785-3300 (209) 743-7572 An immediate verbal notification shall be made as soon as

1. A person has knowledge of a release or threatened release
2. Notification can be made without impeding immediate control of the release or threatened release and emergency medical measures.

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### **Exhibit E Operations**

- **The immediate verbal notification shall include the following**
  3. The exact location of the release or threatened release
  4. The name of the person making the report
  5. The hazardous material involved
  6. An estimate of the quantity of hazardous material involved
  7. If known, an estimate of the potential hazards presented by the hazardous material involved in the release or threatened release.

The immediate reporting requirement does not apply if there is a reasonable belief that the release or threatened release poses no significant present or potential hazard to public health and safety or to the environment.

#### **Procedures for Mitigation**

Gasoline Isolate hazard area and deny entry by unnecessary persons. Stop flow by shutting off power or closing valves without personal risk and with the use of proper personal protective equipment. Eliminate all ignition sources with consideration to the possibility of vapor ignition. Contact all appropriate authorities. Contain spill through the use of absorbent pads on water. Land spills will be contained with earth dikes and absorbent pads. All materials used for containment will be stored in DOT approved containers for later disposal in accordance to all relevant Federal, State, and County laws.

Propane Isolate hazard area and deny entry by unnecessary persons. Stop flow by shutting off power or closing valves without personal risk and with the use of proper personal protective equipment contain leak. Eliminate all ignition sources with consideration to the possibility of vapor ignition. Ensure ventilation of area to dissipate the gas into the atmosphere. Contact all appropriate authorities.

Compressed Oxygen and/or Acetylene Isolate hazard area and deny entry by unnecessary persons. Stop flow by shutting off power or closing valves without personal risk and with the use of proper personal protective equipment. Eliminate all ignition sources with consideration to the possibility of vapor ignition. Evacuate all low-lying areas until thorough ventilation of area is complete. Contact all appropriate authorities. Ventilation will neutralize potential problem.

Lubricating Oil Isolate hazard area and deny entry by unnecessary persons. Stop leak without personal risk and with the use of proper

personal protective equipment. Eliminate all ignition sources with consideration to the possibility of vapor ignition. Evacuate and ventilate low-lying areas to eliminate risk of asphyxiation. Contact all appropriate authorities. Contain spill through the use of absorbent pads on water. Land spills will be contained with earth dikes and absorbent pads. All materials used for containment will be stored in DOT approved containers for later disposal in accordance to all relevant Federal, State, and County laws.

Waste Oil Isolate hazard area and deny entry by unnecessary persons. Stop leak without personal risk and with the use of proper personal protective equipment. Eliminate all ignition sources with consideration to the possibility of vapor ignition. Evacuate and ventilate low-lying areas to eliminate risk of asphyxiation. Contact all appropriate authorities. Contain spill through the use of absorbent pads on water. Land spills will be contained with earth dikes and absorbent pads. All materials used for containment will be stored in DOT approved containers for later disposal in accordance to all relevant Federal, State, and County laws.

- **Equipment and materials contaminated in a release**  
All materials used for containment will be stored in DOT approved containers for later disposal in accordance to all relevant Federal, State, and County laws. N.R.C. standards for handling and clean-up of hazardous materials will be adhered to throughout the cleanup process.

Materials used for containment will be stored in DOT approved containers for later disposal in accordance to relevant Federal, State, and County laws. NRC standards for handling and clean-up of hazardous materials will be followed through the cleanup process.

- **Released Product Recovery and / or Disposal**  
Gasoline -Sorbent pads on water. Sorbent pads and dikes on land  
Waste / Lubricating Oil -Sorbent pads and dikes on land

Propane -Ventilate area with exhaust fans and/or open all available fresh airways Oxygen, Compressed -Ventilate area with exhaust fans and/or open all available fresh airways Acetylene -Ventilate area with exhaust fans and/or open all available fresh airways

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## **Exhibit E Operations**

- **Storage methods for hazardous materials at the site**
  - Waste Oil: 55-gallon drum in upright position, with bung cap in place.
  - Lubricating Oil: 55-gallon drum in upright position, with bung cap in place.
  - Gasoline: 6,000-gallon double walled tanks.
  - Oxygen cylinder: Chained to stationary object with secured valve cap and a minimum of 15 feet from any ignition source.
  - Acetylene: Chained to stationary object with secured valve cap and a minimum of 15 feet from any ignition source.
  - Propane: 500-gallon tank secured on floating barge. Four, ten gallon propane bottles are located on each houseboat and secured by a screw down bracket over the handle of the tank. A housing unit on the deck of the houseboat retains the base of the bottle. Any extra portable tanks are chained to the railing of propane barge.

- **Evacuation Plans & Procedures**

Personnel evacuation procedure:

Blaine Riggert will notify the store clerk, and shop by portable radio or cell phone to evacuate the facilities. Blaine Riggert will then start evacuation of personnel at the point nearest the emergency. After securing and isolating the area, Blaine Riggert will then survey the remainder of the facilities and evacuate all remaining people.

Evacuation routes, meeting places, and personnel accountability: Employees are to evacuate facilities by use of the dock access gangway. They are to meet directly across from the point where the gangway connects with the shore. In the event that the dock access is directly related to the emergency and is not safe for evacuation, all personnel are to meet outside the marina store door. Employees will be accounted for by use of a current work schedule. The store supervisor will be responsible for producing the current schedule and conducting a roll call. Current schedules are posted in the employee break room. All site visitors will be asked to account for their specific parties. In the event the store supervisor is not present, the first employee present in the following list of employees will be responsible for overseeing an evacuation:

Blaine Riggert and Erik Guy Posting of evacuation route maps

- In the employee break room.
- On the east wall of the Marina retail store.



- In all offices and in the shop.

Evacuation drills Drills will be held in the spring when most seasonal employees have been hired. Refresher training for all employees will be conducted at our safety meetings. We will also simulate different types of emergencies at monthly training meetings to keep all employees aware and up to date on any changes that are made.

- **Training**

**Training programs for new employees**

New employees initially meet with their supervisor for the facility orientation and safety training. Additional training is reviewed in monthly safety meetings, and the safety training is documented. The training focuses on prevention and awareness of hazards in the work-place, best management practices, and emergency response plans to minimize potential damage to people, property, and the environment. The acting safety officer is responsible for training documentation and materials.

Refer to Safety, Operational, and Emergency training forms and checklists.

**Annual and refresher training for employees**

Propane: Marina and Service technicians are initially trained on-site by the local propane provider. This is required initial training for these departments, and review includes proper procedures for handling, dispensing, storage, and safety precautions specific to propane. Hazardous Materials: Ongoing training includes but is not limited to: best management practices for maintenance, handling, storage and disposal of hazardous materials used by the marina. Regular and brief safety training meetings review department-specific hazard awareness. Training is updated when appropriate.

**Location of all utility shut-offs at the facility**

- **Electrical Power**

Power to the facility The main power breaker is located at the top of the service road inside the large gray metal cabinet. The breaker is labeled “Main Switch Off”. All dock electricity can be shut off with this breaker.

On the dock In the pavilion -a white power box is located to the right of the employee entrance door. Inside this box the breaker labeled DOCK controls all power to the marina.

In the store -located on the wall of the storage room, there is a panel with individual breakers. These breakers are

## **New Melones Lake Concession Prospectus**

### **Exhibit E Operations**

labeled and will shut off their respective areas of the dock including; the marina store, office and dock building, propane tank, and the fuel dock.

- **Fuel**

The fuel control console is located in the store. This electronically controls the flow of fuel to each dispenser, and provides the capability to stop the flow of fuel by activating the ALL STOP button.

An emergency stop switch is located near the entrance to the store and, in the event of an emergency, can be accessed. The emergency switch is clearly marked and is intended to serve as a means to shut down the entire fuel system instantly by the public, employees, or others unfamiliar with the systems operation. We also have fuel shut off valves at the marina bridge as well as several on the hill between the dock and the gas tanks.

**Fire Prevention Plan:**

**Dock**

1. Potential Fire Hazards: Gasoline, Oil, Electricity.
2. All dock staff are responsible for maintaining equipment and keeping work area clean to prevent fire hazards.
3. The Safety Officer is responsible for training employees to recognize fire hazards and the implementation and location of the Fire Prevention Plan and the Dock Emergency Action Plan.
4. All staff and Safety Officer will follow a regular inspection program to insure equipment and general work areas do not become a fire hazard, and to prevent accidental ignition of combustible materials.

**Fire Prevention Plan Shop**

1. Potential Fire Hazards: Gasoline, Oil, Electricity, Rags.
2. Mechanics are responsible for maintaining equipment to prevent fire hazards and prevent accumulation of soiled rags, etc. in and around the shop.
3. Safety Officer is responsible for training employees to recognize fire hazards and the implementation and location of the Fire Prevention Plan and the Shop Emergency Action Plan.
4. Mechanics and Safety Officer will follow a regular inspection program to insure equipment does not become a fire hazard, and to prevent accidental ignition of combustible materials.

**Fire Prevention Plan Store**

1. Potential Fire Hazards: Electrical.
2. Store staff is responsible for maintaining equipment and work areas to prevent fire hazards.
3. The Safety Officer is responsible for training employees to recognize fire hazards and the implementation and location of the Fire Prevention Plan and the Office Emergency Action Plan.
4. Office staff and Safety Officer will follow a regular inspection program to insure equipment and work areas do not become a fire hazard, and to prevent accidental ignition of combustible materials.

I have read and understand the above guidelines, rules, policies, and regulations.  
I will abide by and adhere to them.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

## New Melones Lake Concession Prospectus

### Exhibit E Operations

#### **Emergency action plan:**

##### **Battery area**

In the event of an emergency:

Immediately notify the Maintenance Supervisor, Safety Officer, or the General Manager.

The Maintenance Supervisor, the Safety Officer, or the General Manager will notify the proper authorities in the event of a major spill. Notify 911, County Env. Health, State OES, National Response Center, and BOR, USBR, Water Quality Control Board, Calaveras County Environmental Health Department, California Fish & Game Department, Altaville/Melones Fire Department and the Sheriff's Department.

NOTE: A Hazardous Materials Spill Response Form must be completed for all spills.

1. No smoking in or near the battery room (Battery Charging Area).
2. Goggles and rubber gloves must be worn when working on the batteries.
3. If eye or skin contact, immediately flush the affected area with water for 15 minutes.
4. Remove and isolate any contaminated clothing immediately.
5. In the event of a spill, immediately pour baking soda on the acid to neutralize it, and then use a shovel to scoop the spill into a clean dry plastic container. Label the container with a description of the contents and the date of the spill.
6. The person who discovered the accident must turn in a report before the end of the workday. I have read and understand the above emergency procedures for the battery room.

Employee Signature\_\_\_\_\_ Date\_\_\_\_\_

**Dock**

In the event of an emergency:

Immediately notify the Maintenance Supervisor, Safety Officer, or the General Manager.

The Maintenance Supervisor, the Safety Officer, or the General Manager will notify the proper authorities in the event of a major spill. Notify 911, County Env. Health, State OES, National Response Center, and BOR, USBR, Water Quality Control Board, Calaveras County Environmental Health Department, California Fish & Game Department, Altaville/Melones Fire Department and the Sheriff's Department.

NOTE: A Hazardous Materials Spill Response Form must be completed for all spills.

1. Employees, guests and dock visitors are to evacuate facilities by use of the walk-on ramp. In the event that the walk-on ramp is directly related to the emergency, all persons are to meet outside the main entrance door of the marina store.
2. The designated meeting place is at the top of service road.
3. The Dock Supervisor is responsible for the accounting of all dock employees. Employees will be accounted for by use of a current work schedule. All site visitors will be asked to account for individuals in their specific parties. The General Manager will be notified of any personnel that are not accounted for.
4. The Dock Supervisor will shut off all power switches to the dock facilities.
5. In the event the Dock Supervisor is not present, the first supervisor present will be responsible for overseeing the emergency action plan.
6. The person who discovered the accident must turn in a report as soon as possible before the end of the workday.

I have read the above emergency action plan and understand the policies and procedures to follow in the event of an emergency on the dock facilities.

Employee Signature\_\_\_\_\_ Date\_\_\_\_\_

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

### **Electrical System**

In the event of an emergency:

Immediately notify The General Manager, Service Supervisor, or the Rental Supervisor.

The Maintenance Supervisor, the Safety Officer, or the General Manager will notify the proper authorities. For an electrical emergency contact the following 911 (Fire and Sheriff), and BOR, PG&E (if needed to shut off main power into the Glory Hole area. They are the USBR, Water Quality Control Board, Calaveras County Environmental Health Department, California Fish & Game Department, Altaville/Melones Fire Department and the Sheriff's Department.

Stay clear of all electrical equipment. Do not use water to extinguish an electrical fire. Use a fire extinguisher only. Immediately turn off the main electrical breaker at the location of the problem. Main breakers are found at the following locations:

1. Top of the service road  
All dock electricity can be shut off by one circuit breaker. The main circuit breaker is located at the top of the service road inside the gray box. The breaker is labeled "Main Switch Off".
2. On the dock There is a white box on the right side of the main dock just in front of the reservation office. On the right side at approximately waist high level, you will find a breaker labeled dock. This breaker will shut-off all of the marina's power. Located in the store building, on the storeroom wall, you will find a panel with individual breakers. These breakers are labeled and will shut off their respective parts of the dock, including; the marina store, office and maintenance building, L.P. tank, and the fuel barge.

I have read and understand the above emergency electrical system procedures.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

**Fuel System**

In the event of an emergency:

Immediately notify The General Manager, Service Supervisor, or the Rental Supervisor.

The General Manager or the Service Supervisor will notify the proper authorities in the event of a major spill. Notify 911, USBR, Calaveras County Environmental Health Department, County Sheriff Department, Altaville/Melones Fire Department, Office of Emergency Services, Water Quality Control Board, and the California Fish & Game Department.

NOTE: A Hazardous Materials Spill Response Form must be completed for all spills.

1. Eliminate all sources of ignition.
2. Immediately notify the store to activate the "All-Stop" on the fuel computer, and the Emergency Shut-off for the fuel dock located on the exterior front wall of the store.
3. The supervisor on site will oversee the deployment of the fuel boom and absorbent pads if necessary.
4. The fuel system is to remain off until the General Manager or Service Supervisor has determined the system is safe to turn back on.
5. The employee who discovered the spill must turn in a brief description of the incident before the end of the workday.

I have read and understand the above Emergency Action Plan.

Employee Signature\_\_\_\_\_ Date\_\_\_\_\_

## New Melones Lake Concession Prospectus

### Exhibit E Operations

#### **Propane**

In the event of an emergency

Immediately notify The General Manager, Service Supervisor, or the Rental Supervisor.

The General Manager or the Service Supervisor will notify the proper authorities in the event of a major spill. Notify 911, County Env. Health, State OES, National Response Center, and BOR, USBR, Water Quality Control Board, Calaveras County Environmental Health Department, California Fish & Game Department, Altaville/Melones Fire Department and the Sheriff's Department.

NOTE: A Hazardous Materials Spill Response Form must be completed for all spills.

1. No smoking within 50 feet of the propane dispensing station.
2. Goggles and protective gloves must be worn as a precaution against freezing tissue.
3. In the event of eye or skin contact, immediately remove any contaminated clothing, shoes & jewelry.
4. Flush the affected area immediately with lukewarm water. Keep immersed if possible and immediately seek medical attention.
5. In the event of a spill or fire, immediately evacuate the area and shut off the source if possible and provide maximum ventilation.
6. If fire is involved, cool the container with water from a maximum distance. Take care not to extinguish the flames. Explosive re-ignition may occur if the flames are accidentally extinguished. The fire should be allowed to burn while the container and surrounding area are cooled and the source is shut off.
7. The person who discovered the accident must turn in a report before the end of the workday.

I have read and understand the above emergency procedures for the battery room.

Employee Signature\_\_\_\_\_ Date\_\_\_\_\_



**Septic System**

In the event of an emergency:

Immediately notify The General Manager, Service Supervisor, or the Rental Supervisor.

The Maintenance Supervisor, the Safety Officer, or the General Manager will notify the proper authorities in the event of a major spill. Notify 911, County Env Health, State OES, National Response Center, and BOR, USBR, Water Quality Control Board, Calaveras County Environmental Health Department, California Fish & Game Department, Altaville/Melones Fire Department and the Sheriff's Department.

NOTE: A Hazardous Materials Spill Response Form must be completed for all spills.

1. Shut off the pump in the store room in the store by turning off the breakers labeled "Pump-out" inside the gray panel box.
2. If the restroom warning light comes on, notify maintenance immediately.
3. The person who discovered the accident must turn in a brief, specific report by the end of the workday.
4. Trained personnel must complete all repairs. The dock supervisor will inspect repairs before the system can be operated.

I have read and understand the above emergency action procedures for the dock pump-out system.

Employee Signature\_\_\_\_\_ Date\_\_\_\_\_

**5. Employee Standards and Employment Conditions**

***A. Employee Handbook***

**Employee Handbook**

**May 1, 2012**



Figure 7.20 - 6: Logo of Houseboats' Website

**Shasta Lake Resorts LP**

D.B.A. Jones Valley Resort & Sugarloaf Resort  
22300 Jones Valley Marina Drive  
Redding, CA 96003  
(530) 275-7950

**D.B.A. New Melones Lake Marina**

6503 Glory Hole Road  
P.O. Box 1389  
Angels Camp, CA 95222  
209-785-3300

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*In matters of style, swim with the current;  
In matters of principle, stand like a rock.*

-Thomas Jefferson

## **I. Houseboats.Com Employee Handbook**

### **A. Introduction**

This personnel handbook is intended to provide employees with a general understanding of the Company's personnel policies. The information in this handbook should be helpful in familiarizing employees with the Company

This handbook, however, cannot anticipate every situation or answer every question about employment. ***It is not an employment contract or legal document.*** In order to retain necessary flexibility in the administration of policies and procedures, the Company reserves the right to change or revise policies, procedures, and benefits described in this handbook, other than employment-at-will provisions, without notice whenever the company determines that such action is warranted.

### **B. Company Mission**

The primary mission of this Company is to make a profit by providing superior service to our customers. In addition, an important element of our Mission is to provide a comfortable, enjoyable and safe workplace for our employees, which we believe is the only way to accomplish the primary mission. We are in the full service marina business, including all types of boat rentals.

In all parts of the operation of houseboats.com, we shall at all times do our very best to provide our customers with the highest level of service possible.

We shall always, without exception, place the safety of our customers, fellow employees and ourselves above all other considerations.

### **C. Equal Employment Opportunity**

The Company's policy is that all persons are entitled to an equal employment opportunity. The Company does not discriminate against its employees or applicants because of race, color, religion, sex, pregnancy, national origin, ancestry, citizenship, age, marital status, physical disability, mental disability or medical condition. An equal employment opportunity will be extended to all persons in all aspects of the employer-employee relationship including recruitment, hiring, upgrading, training, promotion, transfer, discipline, layoff, recall, and termination.

### **D. Employment Relationship**

Your employment with the Company is at-will, and accordingly may be terminated by you or the Company at any time without prior notice. Moreover, no one in the Company, other than the General Manager, has the authority or legal ability to modify the at-will nature of the employment relationship. The General Manager can do so only if it is done specifically in a written agreement that is signed both by the General Manager and you.

## **New Melones Lake Concession Prospectus**

### **Exhibit E Operations**

#### **E. Employee Relations**

The Company believes that the best and most rewarding employee-management system results from a direct relationship between management and employees. This is why we prefer to deal with employees directly rather than through a third party. We feel that putting a third party or union between supervisors and employees can cause dissension and morale problems.

We encourage you to bring your problems to your supervisor or any member of management whom you feel can help you. We, in turn, promise to listen to your concerns with respect and do our best to solve your problems. Management accepts responsibility to provide favorable working conditions, and competitive pay and benefits. We believe that you, as an employee, have the individual right to speak for yourself and do not need an outsider to speak for you.

#### **F. Non-Union Status**

The Company is a pro-people employer operated by non-union employees. It always has been, and we plan for the Company to remain this way. It is intended that the Company's employees never feel they must have someone represent them to management. The closeness between all company employees is vital to the services they provide. The Company feels this would be damaged by involving a third party in the decision making process.

#### **G. Immigration Law Compliance**

The Company is committed to full compliance with the federal immigration laws. These laws require that all individuals pass an employment verification procedure before they are permitted to work. This procedure has been established by law and requires that every individual provide satisfactory evidence of his identity and legal authority to work in the United States no later than three business days after he begins work. Accordingly, all new hires must go through this procedure.

#### **H. Background Checks**

Standard background checks may be conducted in consideration of employment or promotion. These reports may include, but are not limited to, information about former employers, workers compensation claims, education, consumer credit history, driving record, criminal record and general public records.

#### **I. Pre-Placement Physicals**

Houseboats.com may require pre-employment exams including physicals, strength & fitness testing and back X-rays if deemed necessary for the requirements of the job.

#### **J. Drugs and Alcohol Testing**

In order to insure a safe working environment, houseboats.com reserves the right to request drug and/or alcohol testing of applicants or staff members.

Drug/alcohol testing may be conducted under the following circumstances: pre-employment, reasonable suspicion, post accident investigation, scheduled or random company-wide screening, follow-up after voluntary treatment. A positive test could result in the termination or discipline of an employee.

**K. Employee Categories**

**Regular Full Time Employees.** Employees who work year round a minimum of 30 hours per week, after they have completed their Introductory Period, are designated Regular Full Time Employees.

**Regular part time employees.** Employees who work less than 30 hours per week on a year round basis, but who work 800 hours or more each year are designated as Regular Part Time Employees.

**Regular seasonal employees.** Employees who work full time but less than the full year, and who work 800 hours or more each year, are designated as Regular Seasonal Employees. An employee becomes a member of this category upon commencement of employment in a year subsequent to a year in which they worked 800 hours or more. A Regular Seasonal Employee is entitled to all of the benefits that are allowed a Regular Full Time Employee, during the months they work, commencing upon their achieving the status of Regular Seasonal Employee.

**Temporary Employee.** A Temporary Employee is one who is hired for a specific period of time, less than one year, or an employee during the Introductory Period. A Temporary Employee is not entitled to any employee benefits. This will normally be the category in which those people who are hired for the summer are included. If a person who works one year as a Temporary Employee returns to work the following year for the summer, they will then be a Regular Seasonal Employee rather than a Temporary Employee.

**L. Introductory Period**

The introductory period of employment should be a time of review for both you and the Company. In order to determine that each new association is mutually satisfactory, new Seasonal, Part Time and Temporary Employees are hired on a 180-day trial basis. New Regular Full Time Employees are hired on a 90-day trial basis. This introductory period gives an opportunity to demonstrate satisfactory personal conduct, work habits, appropriate attendance and punctuality, performance, interpersonal skills, and technical qualifications for your job, and for you to evaluate the Company as an employer.

Following the successful completion of your introductory period you will receive a preliminary evaluation of your performance followed by a written evaluation of your performance.

## New Melones Lake Concession Prospectus

### Exhibit E Operations

It should be understood that during the introductory period or at any time thereafter, employment and compensation can be terminated, with or without cause and with or without notice at any time, at the option of either the Company or the Employee.

#### **M. Performance Evaluations**

Performance evaluations will be done annually. The evaluations are intended to identify strengths and weaknesses, give credit for employee strong points and encourage improvement on employee weak points.

This process allows employees and supervisors to openly discuss ways in which individual performance and overall staff performance may better serve the interests of the company and its customers and enhance the working atmosphere of the resort.

#### **N. Harassment Policy**

It is the policy of the Company to provide a work environment free from harassment. Unlawful harassment may take many forms including:

- **Verbal conduct** such as epithets, demeaning or derogatory comments,
- Intimidating remarks, slurs, aggressive tones, or unwanted sexual invitations or comments.
- **Visual conduct** such as derogatory posters, cartoons, drawings or gestures.
- **Physical conduct** such as assault, blocking normal movement, or interference with work directed at you because of your sex or other protected basis.
- **Threats and demands** to submit to sexual requests in order to keep your job or avoid some other loss, and offers of job benefits in return for sexual favors.
- **Retaliation** for having reported the harassment.

The Company strictly prohibits any form of harassment. Moreover, the Company shall take whatever steps are necessary to prevent harassment on the job, including sexual harassment or any other type of harassment by co-workers, subordinate employees, supervisors, or management personnel. Sexual harassment includes harassment of women by men, of men by women, and same sex gender based denigration.

An employee found to have acted in violation of the foregoing policy shall be subject to appropriate disciplinary action, including warnings, reprimands, suspension, and/or discharge. Furthermore, any such employee may be required to participate in counseling, employee sensitivity training, or other appropriate program as a condition to retaining employment.



In addition, the Company will not tolerate harassment of its employees by vendors or suppliers, customers, or other persons who are on the premises of the Company.

Employees that are subject to, or are witnesses to unlawful harassment should immediately report such conduct to his or her supervisor or to any management personnel. When the Company receives a report of misconduct it shall as a minimum:

1. Immediately conduct a thorough, objective and complete investigation of the alleged harassment. The Company will make a determination about whether unlawful harassment has occurred, and communicate this finding to the harasser and any other concerned party; and
2. Take prompt and effective remedial action if harassment has occurred. The action must be commensurate with the severity of the offense and be made known to the victim.

No individual will suffer any reprisals or retaliation for reporting any incidents of harassment, or perceived harassment, for making any complaints of harassment or for participating in any investigation of incidents of harassment or perceived harassment. It is important that you promptly report anything you see that is not right!

## **II. Employee Computer, Email, and Internet Acceptable Use Guidelines**

### **Purpose**

The purpose of this policy is to establish basic guidelines for the appropriate use of computing resources, electronic mail, the Internet and related electronic products on Company owned computers.

### **Guidelines for Staff Use**

The Company provides equipment, services and training so employees can serve the needs of its patrons. Access to computers, the Internet and email is provided solely to further these service goals.

The company only sanctions the use of purchased, licensed, standard programs for its computers.

Disciplinary action may be taken if an employee installs, modifies, or otherwise tampers with company computers. Only Water Resorts personnel and supervised personnel are allowed to work on the programs and hardware of company owned computers.

Downloading of non-work related files from the Internet, or loading of software, is not permitted without the specific consent of the Company.

### **Prohibited Uses of the Internet**

- **Copyright/Licensing Violations --any use of the Internet that violates copyright law is prohibited.**
- **Harassment** --the use of the Internet to harass employees, vendors, patrons, and/or others is prohibited. This includes the display or transmission of threatening, obscene, or harassing materials of any kind.
- **Misinformation/Confidential Information** --the release of untrue, distorted, or confidential information regarding Company business is prohibited.
- **Unauthorized Entry/Tampering/Hacking**--it is not acceptable to use Company computer resources to interfere with or disrupt network users, services, or equipment.
- **Illegal Activities** --it is not acceptable to use Company computers for any purpose or in any manner that violates local, state, or federal laws and regulations.

### **Security Issues**

Access to email and the Internet is restricted to authorized persons. Employees are responsible for the confidentiality of personal and Company log ins and passwords.

### **Enforcement**

The Company administration will review alleged violations of these guidelines on a case-by-case basis. Violations of the guidelines will result in appropriate action, such as loss of electronic mail privileges, loss of computer privileges, loss of network privileges, or referral to appropriate authorities. Repeated, egregious, or malicious abuse of these guidelines may be cause for termination. Additionally, staff use of Company computers for illegal activity may result in prosecution.

## **1 Company Property**

Employees are expected to exercise care in the use of Company property and to utilize such property only for authorized purposes, to include telephones. Negligence in the care and use of Company property or willful damage thereto may be considered cause for repayment, suspension and/or termination. Unauthorized removal of Company property from the premises or its conversion to personal use will be considered cause for suspension and/or termination.

Company property issued to any employee must be returned to the Company when requested by the employee's supervisor. The Company has the right to prosecute to the fullest extent of the law any employee who does not return Company property upon discharge on request. Company property issued to any employee must be returned at the end of your shift, even if it is necessary to have it issued to you again the following day.

## **1 Company Tools & Equipment**

All tools and portable equipment shall be returned to their permanent location at the end of each day. You are not finished with any job until the work area is clean, all tools are clean and materials are put away.

Any person damaging, losing or otherwise wasting any tool, part, item of inventory or equipment intentionally or through willful negligence shall pay the cost of the damage. This includes the loss of handheld radios. You may pay for repairs or replacement in full or authorize payments of \$25.00 deducted from your paycheck.

Employees are not permitted to use company tools for personal jobs they receive compensation for.

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

### **2 Personal Tools & Equipment**

Mechanics are required to provide their own personal working tools. The Company is not responsible for those tools in any way. Mechanics are financially responsible to insure their own tools against theft. The Company does not ever have care, custody or control of any individual mechanic's tools.

The Company does not maintain any insurance that would pay for the loss of a mechanic's tools from theft or any other casualty. Each mechanic is responsible for the theft of his own tools if such theft ever occurs.

### **2 Safety Regulations**

Be aware of all company safety rules, recommendations and policy, including the Injury and Illness Prevention Program as set forth by SB198.

Know how to use all tools, equipment and chemicals required in your department. When in doubt, ask!

Obtain, read and understand all safety training data from safety officer before using any chemicals or equipment.

Back support belts are available for those employees working with heavy loads or equipment.

Flammable liquids, chemicals and batteries must be stored in specifically designated areas. If you're not sure, ask!

Obtain, read and understand emergency procedure data for your workstation from safety officer.

It is your responsibility to report any unsafe or hazardous conditions to your supervisor immediately.

Immediately correct any manner of working or condition deemed unsafe by your supervisor.

Any employee involved in an accident involving personal injury while at work is required to promptly report the accident to his/her supervisor or general manager. Failure to properly and promptly report accidents will result in disciplinary action.

As a safety consciousness incentive, from time to time employees may participate in safety games administered by the safety officer. Multi-level cash prizes will be awarded to winners. Participants will be disqualified if they are involved in an accident that requires medical attention or lost time.

Any employee utilizing a company or personal vehicle for business must wear seat belts at all times and drive with care and consideration for others.

### **3 Store**

With the exception of store clerks, reservationists and management, employees are only permitted in the store when they have specific business to conduct therein. Loitering or going behind the counter is prohibited.

All inventory shall be guarded and remain intact unless it is sold and rung up in the cash register. Every item of inventory that is removed from the store must be rung up on the register (and, if applicable, written on a company charge slip.)

Employee purchases shall be handled in the same manner as a purchase by a regular customer, with the purchase price being rung up and the money being put in the register by the cashier. Do not wait on yourself. Do not leave money on the counter. Do not take reservations unless it is your job to do so. Refer all reservation calls and questions to office personnel. If no one is available, take the customer's name and number and advise them that they will be assisted as soon as possible.

### **4 Security Awareness**

Report any suspicious activity observed on resort premises or surrounding lakebed areas to your supervisor immediately. Your supervisor will report it to the security guard who maintains daily logs.

- Security gate on dock must be locked every night.
- Security alarms are to be set every night.
- Garage, administration office and restrooms are to be locked every night.
- Road gate is to be locked during off-season every night by last employee departing premises.

Please respect privacy and peace and quiet of occupants of on-site residences. Withhold phone calls and visits that are not of an emergency nature, especially in evenings, early mornings and on occupant's days off.

On site occupants are not to socialize with staff during business hours.

### **5 Fishing Rules**

- No fishing is allowed within 200 ft. of dock entrance.
- No fishing is permitted from docks during summer season.
- Boats may troll around marina if it is safe.
- Moorage customers may fish off their personal vessels.
- Security guards are not allowed to fish from docks at any time.

# **New Melones Lake Concession Prospectus**

## **Exhibit E Operations**

### **6 Standards of Dress**

Every Employee is a representative of the Company and should dress in a manner that will reflect a positive company image. The various jobs within the company will warrant different standards of dress, however, your wearing apparel, personal grooming and hygiene should be such that they do not distract others nor create a safety hazard. Body piercing, if visible, must be limited to ears only. At no time should your clothes be frayed, tattered or worn in a fashion that allows the exposure of your midriff or undergarments.

The marina management will advise you of the dress code based on your job classification and the proper procedure for obtaining and maintaining the uniform.

### **7 Personal Conduct**

#### **1 Courtesy**

- You are expected to act in the manner of ladies and gentlemen at all times, especially in the presence of customers.
- Do not use foul language.
- Do not horse around on docks. Since horseplay is potentially unsafe in a marina environment it is subject to disciplinary action.
- Dress neatly, cleanly and appropriately. Practice good grooming habits. Hair is not to exceed collar length on men and facial hair is to be kept trim and professional.
- Attend to customers promptly and politely (even if they are not polite to you!).

#### **2 Cleanliness**

- Always think clean. The entire premises should be kept clean and orderly at all times.
- Pick up litter as you see it.
- Keep bathrooms clean at all times.
- Clean up after yourself in the lunchroom.
- Maintain a clean work area daily.

#### **3 Productivity**

All available time when you are on the job should be spent doing something constructive. There is never a time when everything is done and there is nothing to do. If your tasks have been completed, assist fellow employees where you can, even if it is not within your regular job description.

#### **4 Accessibility**

When a customer sees you on the dock, you are available to him or her. Even if you are off duty, you will respond to the customer with

courtesy and make sure they are given appropriate service. If you don't want to be involved, don't be here.

**5 Tardiness & Absence**

If you are going to be late or absent you must notify your supervisor through reservations prior to your starting time.

Two consecutive days of absence without notification will be considered a voluntary resignation.

**6 Personal Business**

Whenever possible, all dentist, doctor and personal appointments must be scheduled on your days off.

Two weeks written notice for time off is required.

**7 Personal Telephone Calls**

Incoming or outgoing phone calls should be limited to only necessary calls which specifically do not include repeated calls to or from friends and family.

Employees must use their own cell phone or calling card for their long distance calls or cell phone. Personal cell phone calls and texting must be limited to break and lunch periods only.

The company's toll-free business number is not to be used by employees or their friends and family.

**8 Storage of Personal Items**

With the exception of mechanic's tools which are stored in the service shop, the storage of personal belongings is restricted to lockers and designated areas only.

Employees' personal vehicles may not be stored on company premises.

**9 Lunchroom**

Each marina has a designated area or room for employee lunch and rest breaks. Lounging in the marina store or guest waiting areas is not permitted.

A refrigerator and storage cabinets may be provided for your personal food and belongings. Employees are not permitted to keep food in the walk-in refrigerators or freezers in the store.

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It is your responsibility to keep your lunchroom and break area neat and clean at all times. Items left in the refrigerator may be disposed.

#### **10 Conflict of Interest**

Employees are not permitted to accept or solicit any work generated at either marina location during or after their shift for their personal gain.



### **III. Work Rule Violations & Corresponding Disciplinary Action**

Rules for the acceptable conduct of employees are necessary for the orderly operation of the Company and for the protection of the rights and safety of every Employee.

It is your responsibility to conduct yourself within the framework of the Company's work rules. If you fail to maintain proper standards of conduct, thereby violating any of the following rules, appropriate disciplinary action for the violation will be taken.

Not all situations can be covered in this list; therefore, violations are not restricted to those cited below. Commission of any of the following acts may be considered just cause for remedial action which could range from verbal or written reprimand to suspension from work without pay to dismissal.

1. Any falsification or alteration of company records, including employment application.
2. Absent scheduled workdays without notification or approval.
3. Theft, misappropriation, misuse, neglect or willful destruction of employee's, customer's or company's property, or unauthorized removal of such, including found items.
4. Possessing dangerous or deadly weapons on company premises or while off company premises in performance of company duties.
5. Reporting for work under the influence of intoxicants or drugs.
6. Drinking alcoholic beverages, using drugs, or the possession of either while on company time or premises.
7. Drinking alcoholic beverages or using drugs during lunch breaks, whether on company premises or not.
8. Fighting on company premises.
9. Insubordination: Refusing to obey an order of a supervisor.
10. Coercion, intimidation or threats against fellow employees, supervisors or customers.
11. Disrespectful or discourteous conduct to customers, supervisors, or fellow staff members.
12. Giving out any company information without authority or discussing confidential company information in the presence of customers or employees.
13. Soliciting for immoral purposes or the aiding and or abetting of such.
14. Smoking or chewing tobacco in other than designated areas, especially near gas pumps, on houseboats, or while dealing with the public.
15. Unauthorized use of the telephone.
16. Interfering or hindering of work schedule.
17. Friends or family visiting during working hours.

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18. Bringing pets onto company premises while you are on duty, without approval. (Pets must be kept on leash at all times.)
19. Parking motor vehicles in other than areas designated by management.
20. Failure to abide by time clock rules: punch in/punch out procedure; falsification of time card.
21. Failure to take a lunch when working more than 6 hours straight.
22. Working overtime without authorization; stopping work early without authorization.
23. Tardiness or absenteeism without proper cause or documentation.
24. Dining or snacking at any time or place other than designated by management.
25. Failure to perform job assignments satisfactorily and efficiently.
26. Loitering or sleeping on the job.
27. Unauthorized absence from assigned work area, or being in an unauthorized area.
28. Failing to observe established health, fire and safety practices.
29. Failure to report unsafe actions of other employees or customers to supervisor.
30. Failure to report any injuries sustained while on duty.
31. Failing to exhibit a neat and businesslike appearance and high degree of personal cleanliness at all times, including facial hair grooming and oral hygiene.
32. Failure to wear prescribed uniform and name badge, if applicable.
33. Transporting unauthorized passengers in a company vehicle.
34. Unauthorized presence at guest functions, guest areas and guest boats.
35. Unauthorized soliciting or distribution of literature on company premises.
36. Unauthorized posting or removal of notices or signs from bulletin boards, company property or customer's property.
37. Making or publishing false, vicious or malicious statements concerning an employee, supervisor, the company or its inventory and services.
38. Sexual or physical harassment including unwelcome sexual advances and requests for sexual favors.
39. Failing to report any incidence of harassment to your immediate supervisor and to the general manager.

#### **Verbal Warning**

This procedure is used for a first violation of a conduct rule. They are recorded in the employee's personnel file.

#### **Written Warning**

These are issued by the General Manager for each violation occurring after the verbal warning or for any conduct deemed serious by management.

Written warnings will be accompanied by a private session with the General Manager. The employee must read, understand and sign the report which is then recorded in the employee's personnel file.

### **Termination**

This will occur when an employee shows no progress after a written warning or for a major violation of the resort rules.

#### **A. Garnishment**

Employees should contact the Accounting Department immediately if they are in danger of having their wages attached by court action. Once the Company receives a wage garnishment, the Payroll Department will be obligated to arrange for the appropriate withholding. Such notice will be filed in the employee's personnel records.

No employee may be discharged for the reason that a creditor of the employee has subjected or attempted to subject unpaid earnings of the employee to garnishment. (Per California State Labor Code, Section 2929)

However, this section applies to one instance of garnishment only. Repeated garnishments, i.e. more than one continuing claim against an employee, may be cause for termination.

#### **B. Pay Period / Payday**

The "Work Week" goes from Sunday through Saturday at ALL locations.

For New Melones, employees are paid semi-monthly; on the 5th of the month for the period ending on the last day of the previous month, and the 20th of the month for the period of the first day of the month through the 15th of the month.

For Jones Valley and Sugarloaf, employees are paid semi-monthly; on the 6<sup>th</sup> of the month for the period ending on the last day of the previous month, and the 21<sup>st</sup> of the month for the period of the first day of the month through the 15th of the month. If payday falls on a Sunday, paychecks will be issued the following Monday.

Paychecks will be issued at the end of your shift. If you are not scheduled to work on a payday you may pick up your check between 2:00 p.m. and 4:30 p.m. Jones Valley Resort employees pick up their paychecks in the Administration Office at the completion of their shift. Sugarloaf employees pick up their paychecks from their marina manager at the completion of their shift.

#### **C. Hours Of Work**

Your normal hours of work will be detailed for you by your supervisor. However, the nature of the work may require some deviation. Every week may not be the

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same schedule. Should you have any questions regarding hours of work please consult your supervisor. All hours actually worked must be logged into the electronic timekeeping system.

#### **D. Overtime**

Under normal circumstances your work will be completed during your regular working hours. Your supervisor will request that you work in addition to regular hours only when it is necessary and will give you as much advance notice as possible.

In California, non-exempt employees are paid time and one-half of their normal hourly wage rates for all hours in excess of eight hours in one workday or forty hours in one week. The Company's pay procedure will follow California State Law.

All overtime must be approved by your supervisor within 24 hours of its occurrence.

#### **E. Mileage Pay**

A mileage allowance will be paid using IRS guidelines when an employee uses his.

#### **F. Travel Expenses**

Per Diem allowance will be given at a rate of \$34 per night when an employee must stay out of town on company business to cover meal expenses. All travel must be pre-authorized and allowable lodging per diem rates may fluctuate due to location not to exceed the IRS regular federal per diem rates.

#### **G. Timekeeping**

Employees must clock in (using the electronic clock or PC) at the beginning of their shift, clock out and back in for meal breaks, and clock out at the end of their shift.

- Do not clock in or out earlier or later than five minutes from your scheduled shift.
- If unable to clock in or out you must notify your supervisor.
- If you have a question or concerns with the timekeeping, timesheets or other records, contact your supervisor or the Payroll Department.
- Employees must not clock in or out for each other at any time.
- At the end of each pay period, every employee must sign their time sheet. The time sheet will be approved by your supervisor and forwarded to the Payroll Department.

### **Job Cards and Shift Reports**

When and where applicable, job cards and shift reports must be completed accurately and turned in weekly. Failure to comply accurately will delay the processing of the complete staff payroll.

### **Lunch**

Lunch must be taken if you are scheduled to work over six hours straight. Lunch periods are thirty minutes long. Skipping lunch or taking a short lunch is a

conduct regulation violation. Breaks All employees are entitled to two 10-minute breaks during the course of an eight-hour shift. Charges

Employees are not permitted to charge anything at the marina. Advances

Employees will not be permitted to take advances on pay.

### **H. Payroll Deductions**

Standard required deductions are made from your paycheck for Federal Withholding (Income Tax), FICA (Social Security), State Tax, and State Disability Insurance. Court ordered or voluntary deductions may also be taken. Your check stub itemizes these deductions and provides information on your year-to-date earnings.

On the first day of work you will complete a W-4, indicating the number of exemptions you are taking for tax purposes. This determines the amount of Federal and State income taxes withheld. Should the need arise to change your W-4 information; forms can be obtained from the accounting office.

### **I. Social Security**

The required Social Security Tax (FICA) is deducted from all paychecks. As a new employee you may have paid part or all of your Social Security Tax for the current year before coming to work for the company.

The law requires, however, that the Company withhold taxes as though there has been no previous employment. Any excess payments may be claimed on your income tax return.

### **J. State Disability Insurance**

All regular Employees are eligible for State Disability Insurance (SDI) from their date of hire. Participation in the State Disability Insurance is mandatory under the Unemployment Insurance Code of the State of California. Deductions are automatically taken from your paycheck. As with Social Security Taxes, the law requires that we withhold the tax as though there has been no previous employment.

### **K. Change In Status**

It is important to inform the Accounting Department in writing of any change in status: Name, home address, telephone number, marital status, number of

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dependents, or other pertinent information. Your supervisor will advise you on how to proceed when a change becomes necessary.

#### **L. Absenteeism / Tardiness**

Regular attendance is expected of all employees. Absenteeism/Tardiness places a burden on other employees who must perform your duties. In many cases, absenteeism/tardiness may also cause serious scheduling problems. For these reasons, excessive absenteeism/tardiness will not be allowed. Definitions:

*Absenteeism* is the failure of an employee to report to the job during scheduled working hours.

*Unexcused Absences* are those, except for unforeseen illness, which have not been approved by the supervisor. (Example: Absent without calling in.)

*Tardiness* is the failure of an employee to be at his/her workstation at his/her regularly scheduled starting time. The following events will be considered as tardiness:

- Arriving late to work
- Returning late from meal period
- Early out (see definition below)

*Early Out* is failure of an Employee to complete his/her regularly scheduled work shift (leaving work early).

*Occasionally*, it may be necessary for you to be absent from work due to illness or circumstances beyond your control. If you are going to be absent from work, you must notify your supervisor by telephone each day at the beginning of your shift (or sooner, if possible). Keep your supervisor informed as to when you expect to return to work. You should also notify your supervisor if you are going to be tardy.

Failure to notify your supervisor of absence or tardiness is considered a serious violation of Company rules and can result in disciplinary action. Two consecutive days of absence without notification will be considered a voluntary resignation.

#### **M. Promotions**

A promotion is defined as a move to a position, which involves an increase in responsibility and/or accountability.

The Company encourages promotion of employees from within the organization when job openings occur; provided that qualified employees are available for such openings. Communication related to such matters must flow through the

employee's immediate supervisor. All promotions will be based upon the employee's work record, merit and qualifications.

**N. Problem Review**

As part of our philosophy of open, two-way communication, we believe that you should be able to present legitimate concerns about your employment without fear of recrimination. However, established Company policy or procedure is not, itself, subject to the Problem Review Procedure. Only the interpretation or execution of these policies will be addressed in the review.

If you feel that a Company's policy has been interpreted or applied unfairly or inequitably, you should talk with your supervisor and if necessary the General Manager. Our goal is to solve such problems in a manner satisfactory to all parties involved. Please raise any issue you see as a problem for you or for any other employee.

**O. Access To Employee Records**

It is the Company's policy to allow employees access to their individual personnel records maintained by the Company. Employees, upon written request will be allowed to inspect the personnel records which have been used to determine their qualifications for employment, promotion, compensation, termination or disciplinary action, excluding letters of reference and records relating to criminal investigations. You may review the contents of your personnel records at reasonable intervals.

To review your records, you must submit a written request to the accounting office. The office will forward a copy of the personnel file to the appropriate supervisor who will arrange a mutually convenient time to review the records with the employee. At the appointed time the supervisor will provide the folder to the employee and remain with them while the records are reviewed and to answer any questions. Nothing may be removed from the file. A copy of the request will be placed in the employee's folder after the review.

**P. Jury Duty**

Jury duty is an important service, which houseboats.com encourages.

If called for jury duty, the employee should report this fact to his/her supervisor as soon as notification is received.

Employees will be reimbursed for all wages lost while serving jury time for up to three days.

The Company, at its discretion, may compensate jury duty in excess of three days. The employee must present evidence of attendance at court to receive reimbursement of wages. When an employee is reimbursed by the Company for

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lost wages, any and all compensation received from the court, excluding expenses, is to be surrendered to the Company.

#### **Q. Holidays**

Easter, Thanksgiving, Christmas and New Year's Day are unpaid holidays. Management reserves the right to modify unpaid holidays as necessary.

All other holidays are considered regular workdays at regular pay rates. From time to time, management will close the resorts during winter holiday time. These mandatory closure days are considered unpaid days.

Vacation time, if available, may be applied to resort closure days, with management approval.

#### **R. Vacation**

The Company provides paid vacation for qualified employees for their rest and relaxation. It is an important health benefit and employees are encouraged to use it annually. Vacation time will be used only by being paid for vacation days while not working. Employees are generally required to take vacations during the "off-season", which is October 1 through the following May 1. Vacation time will accrue as follows:

##### **Basic Vacation Policy**

This vacation policy applies to all Regular Full Time Employees, Regular Part Time Employees, and Regular Seasonal Employees who work 800 hours per year or more.

- 1 Vacation pay will accrue for all Regular Employees at a rate of 1 hour of vacation for each 50 hours worked at regular pay until the employee has worked 4,000 regular hours. No vacation pay will accrue with respect to overtime hours.
- 2 Then vacation pay will accrue for all Regular Employees at a rate of 1 hour of vacation for each 25 hours worked at regular pay until the employee has worked 10,000 regular hours. No vacation pay will accrue with respect to overtime hours.
- 3 Then vacation pay will accrue for all Regular Employees at a rate of 1 hour of vacation for each 16.66 hours worked at regular pay until the employee has worked 30,000 regular hours. No vacation pay will accrue with respect to overtime hours.
- 4 Then vacation pay will accrue for all Regular Employees at a rate of 1 hour of vacation for each 12.5 hours worked at regular pay. No vacation pay will accrue with respect to overtime hours.



Vacation may be taken at one time during the year, split, or taken on a “day at a time” basis, but in no less than eight hour increments, with management approval. Vacation normally should be taken in the winter season.

An employee may not accrue more than 30 days of vacation time. After accrual of 30 day vacation time, no more vacation time will accrue until some of the accrued time is used.

All vacation requests must be submitted two weeks in advance to your supervisor in writing. Approval for vacation is at the General Manager’s discretion, based on the needs of the work team.

Reservationists shall be allowed two additional paid vacation days for every three vacation days they take if they restrict their vacation months to November and December only. These bonus days must be taken at the same time as the regular vacation days that earn them.

#### **Leave of Absence**

Unpaid leaves of absence may be granted for periods of up to three consecutive months for unusual or unavoidable circumstances.

Leaves are granted on the assumption that the employee will return to regular employment at the conclusion of the approved leave period.

Failure to return from a leave of absence at the designated time without notification to the Company will be considered an unexcused absence and the employee will be considered to have voluntarily abandoned his/her employment and will be separated from houseboats.com on that basis. Upon return from approved leave of absence, an effort will be made to return the employee to the same or approximate position the employee held prior to the leave unless:

- 1 The job ceased to exist because of legitimate business reasons unrelated to employee's leave of absence, or
- 2 Each means of preserving the job for the employee such as leaving it unfilled or filling it with temporary replacements would substantially undermine the Company's ability to operate the business safely and efficiently.

When an employee returns to his/her original position held before the leave of absence, the employee’s salary will remain the same as prior to the leave.

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### **S. Termination**

#### **Resignation**

All resignations shall be in writing. Upon acceptance by the authorized supervisor or General Manager, the resignation shall not be rescinded or withdrawn except at the sole discretion of the authorized supervisor or General Manager. Any permanent employee who has resigned from service while in good standing may be eligible for rehire at the sole discretion of the authorized supervisor or General Manager.

Before you will be issued your final paycheck, all uniforms, keys, tools and equipment shall be returned clean, complete and in good working order.

The Company reserves the right to prohibit any terminated employee from entering company premises for any reason.

### **T. Disability Leave**

#### **Physical Conditions Other Than Pregnancy**

Any regular employee, following the successful completion of their introductory period, who develops an illness or physical condition which requires medical treatment and possible restrictions and precaution as to their health, will be required to submit a physician's statement giving approval that continued employment will not jeopardize their health.

Unpaid leaves of absence due to injury, illness or physical condition will be granted for a period of six weeks maximum.

If, after six weeks, the employee submits a written physician's release to their supervisor, every effort will be made to return the employee to his or her former job or similar work if available. Employees who remain away from work for more than the period allowed for a disability leave due to illness or injury may be considered terminated from employment.

Employees are welcome to reapply for work subject to the usual employment policies of the Company. If an employee is re-hired within one year of their last work date they will retain their seniority for all employment purposes.

Employees covered by the Company's health insurance plan while on disability may continue their coverage with the following limitations:

- Disability leaves up to 60 days: employee pays 25% of premium per month; employer pays 75% of premium per month.
- Disability leave over 60 days: employee pays 100% of premium per month.

- Employee may cancel health insurance at any time during disability period but will not be eligible to re-enroll until annual open enrollment period.
- Employees on an authorized disability leave shall be permitted to use any accrued vacation leave during their period of disability. Vacation benefits do not continue to accrue during the authorized leave. If an employee's attendance or job performance suffers during the period preceding and/or following an authorized disability leave, the Company reserves the right to suspend the employee until such time that the employee is able to resume activity in terms of the job demand.

#### **U. Pregnancy**

The above policy differs only slightly for pregnant employees. Unpaid leaves of absence in such cases will be granted for a maximum of four months. Upon return from leave, the employee will be returned to her original job unless:

- a. The job ceased to exist because of legitimate business reasons unrelated to the employee's pregnancy disability leave, or
- b. Each means of preserving the job for the employee such as leaving it unfilled or filling it with temporary replacements would substantially undermine the Company's ability to operate the business safely and efficiently.

Any questions you may have should be referred to your supervisor.

#### **V. Bereavement**

Regular Employees may be given time off, when a death occurs in their immediate family. Immediate family includes your child, son/daughter-in-law, spouse, domestic partner, parent, parent-in-law, sister, sister-in-law, brother, brother-in-law, grandparent, or grandchild.

All regular full time employees will be eligible to receive up to 2 days bereavement pay (8 hrs. per day at the employee's regular rate) for the death of a member of their immediate family.

#### **W. Workers' Compensation Insurance**

An employee who is absent from work due to work-related illness or injury may be eligible for benefits under Workers' Compensation Insurance (WCI). This program is provided by state statute and is aimed at protecting individuals who are unable to work due to work-related disability (illness or injury), against loss of wages.

An employee may be eligible for WCI benefits after a three-day waiting period. The waiting period may be waived if the employee:

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- a. Is hospitalized and charged for at least one day's room and board, or
- b. Is disabled for twenty-two days, or more, but not hospitalized.

To apply for benefits, or for information related to benefits, employees must contact the office. All injuries reported and/or claims submitted for payment are subject to review and approval by the carrier.

If an employee wishes to pre-designate a physician, they must have written notice on file prior to occupational injury or illness, which includes the physician's signature. The physician must be the employee's primary care provider who has previously directed the medical treatment of the employee and retains records on the treatment and medical history.

#### **X. Fringe Benefits**

##### **Employee Discounts**

Employees are entitled to a 15% discount on store items and a 30% discount on apparel items. There is no discount for fuel.

In order to receive the discount, you must pay for all items immediately. Invoices for personal items must be paid on a one-time basis, in full. No installment payment arrangements are permitted.

##### **Employee Referral Program**

To encourage staff to recommend quality people to apply for employment at houseboats.com, all referring employees are entitled to a "finder's fee" after a recommended employee completes his introductory period.

The referral fee for a seasonal employee is \$50. The referral fee for a year round full time position is \$100.

##### **Employee Houseboat Rentals**

- Employees will be entitled to use houseboats only with the specific permission of the General Manager, without reservation, for the per use charge of \$504.00 at Jones Valley Resort, and the per use charge of \$254.00 at New Melones.
- After 5 years of employment, employees will be entitled to use houseboats at no charge.
- The Titan model may only be used by employees with 10 years' service, limited to one trip per year.
- Houseboat requests must be submitted in writing to your supervisor.

- "Without reservation" means no reservation shall be made more than 48 hours in advance of the use.
- Only Seasonal Employees who have completed their second season and Regular Full Time Employees are eligible.
- This opportunity will be limited to two uses per year, 7 day maximum per use.
- The Company reserves the right to limit this privilege to certain houseboat models and time periods.
- Only one houseboat may be taken at a time.
- No holiday rentals.
- Only one houseboat may be taken at a time.
- No holiday rentals.
- Charge still applies even if vessel does not leave the dock.
- Employee must accompany friends/family to be eligible.
- The employee must fill out and sign the Company's regular rental agreement and pay the \$500 security deposit.
- Rental houseboats must be returned in the same manner as regular customers, with all inventories intact and full of gas.
- If the employee or anyone in his party abuses the privilege to use company houseboats, the privilege will be revoked.

**Employee Small Boat Rentals**

- Employees will be allowed the free use of fishing boats, kayaks, canoes, sailboats, patio boats and equipment if they are available.
- Employees will be entitled to the use of the party cruiser, without reservation, for the per use charge of \$20. Specific permission by the General Manager required.
- Due to insurance restrictions, employees will not be allowed to use ski boats or personal watercraft except by renting them, however, a 50% discount will apply.

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- After 5 years of employment, all ski boats, sport boats and PWC's may be used at no charge.
- The employee must complete the regular small boat rental agreement and a deposit is required.
- No vessels may be used without permission in advance by the Marina Manager.
- No vessels may be used by employees that are still in their introductory period.
- Payment of rent, fuel, damage or loss must be made when vessel is returned. Failure to follow proper procedure will result in loss of the privilege.

#### **Family, Friend & Vendor Discount**

From May 1 to September 30 employees may extend a 10% discount to their family members and a 5% discount to their friends and marina vendors on company rentals. From October 1 to April 30 the discount will be 30% to family and 15% to friends and vendors.

#### **Awards**

Merit awards such as Customer Service Award, Leadership Award and Employee of the Month are presented to employees on a regular basis. Employees are elected by management and recognized with personalized certificates, cash bonuses or gifts.

#### **Health Insurance**

Available to regular employees after a waiting period. See Administrator for details.

#### **Dental Reimbursement**

Plan Regular full time employees are eligible. Limitations apply. See Administrator for details.

#### **401(k) Profit Sharing Plan**

Regular year round employees who as of January 1 or July 1 are at least 21 years old and who have a minimum of one year of service will automatically become members of the 401(k) plan.

Employees who meet these requirements will have the opportunity to make pre-tax investments that may be matched by a percentage determined by the Company at the beginning of the plan year.

Requirement for eligibility also includes over 1000 hours during the period. Furthermore, at the Company's discretion, profit sharing contributions will be invested in the plan on the employee's behalf.

Employees that meet the requirements for 401(k) eligibility will receive informational packets that provide details on this valuable benefit.

**Moorage**

Regular Employees may moor their personal vessels in the Company's slips at 50% of the advertised rate, pending availability. This does not include vessels belonging to employee's family members. If moorage dock is at full capacity, employee must pay full rental amount or vacate slip.

Employee's must complete a moorage contract and provide appropriate insurance documents before storing vessels on company premises.

The quality of a person's life is in direct proportion to their commitment to excellence, regardless of their chosen field of endeavor.

-Vince Lombardi

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#### **Houseboats.com**

Employee handbook receipt

I hereby acknowledge that I have received and read the houseboats.com Employee Handbook revised \_\_\_\_\_. Any policies, benefits, or work rules that I did not understand have been explained to me. All rules and regulations in this handbook are subject to change at management's discretion.

Name (print) \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_



## Policy Against Harassment

It is the policy of the Company to provide a work environment free from harassment. Unlawful harassment may take many forms including:

**Verbal Conduct** such as epithets, demeaning or derogatory comments, intimidating remarks, slurs, aggressive tones, or unwanted sexual invitations or comments.

**Visual Conduct** such as derogatory posters, cartoons, drawings or gestures.

**Physical Conduct** such as assault, blocking normal movement, or interference with work directed at you because of your sex or other protected basis.

**Threats and Demands** to submit to sexual requests in order to keep your job or avoid some other loss, and offers of job benefits in return for sexual favors.

**Retaliation** for reporting the harassment.

The Company strictly prohibits any form of harassment. Moreover, the Company shall take whatever steps are necessary to prevent harassment on the job, including sexual harassment or any other type of harassment by coworkers, subordinates, supervisors, or management personnel. Sexual harassment includes harassment of women by men, of men by women, and same sex gender based denigration.

An employee found to have acted in violation of this policy shall be subject to appropriate disciplinary action, including warnings, reprimands, suspension, and / or discharge. Furthermore, any such employee may be required to participate in counseling, employee sensitivity training, or other appropriate program as a condition to retaining employment.

In addition, the Company will not tolerate harassment of its employees by vendors or suppliers, customers, or other persons who are on the premises of the Company.

### Harassment Complaint Procedure

As your employer, this company has adopted a firm policy against harassment. Every reasonable step will be taken to prevent harassment from occurring. However, if you believe that you have been unlawfully harassed, we urge you to report the incident immediately and according to the following procedure so that your complaint can be resolved quickly and fairly.

1. When possible, confront the harasser and persuade him/her to stop. If you are unable to confront the harasser or are unsuccessful in doing so, report immediately as follows: Provide a written complaint to your supervisor or the GM as soon as possible after the incident. Include details on the incident(s), names of individuals involved and names of any witnesses.

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2. The Company will immediately undertake an effective, thorough and objective investigation of the harassment allegations.
3. If the Company determines that unlawful harassment has occurred, it will take effective remedial action in accordance with circumstances. Any employee the Company determines to be responsible for unlawful harassment will be appropriately disciplined, up to and including termination.
4. The Company will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, employees or co-worker. It is important that you promptly report anything you see that is not right! If you have any question about the Company's policy against sexual harassment or the procedure for filing complaints, please contact your manager.

### **Employee Receipt Policy Against Harassment and Complaint Procedure**

This is to acknowledge that I have received a copy of the company Policy Against Harassment, and I have received a copy of the company Sexual Harassment Complaint Procedure.

Employee Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Manager Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**New Melones Lake Concession Prospectus**  
**Exhibit E**  
**Operations**

Incident date _____	Time _____	Please print legibly.
(Please circle) Location: JVR   SGL   NM   WRI		
Employee Name _____ Home phone _____ Cell phone _____		
Mailing Address _____		
Physical Address _____		
M   F   Date of birth _____ Full Time _____ Part Time _____ Seasonal _____ Average hours worked per week _____		
Immediate Supervisor _____ Job Title _____ Specific duties _____		
Place of incident _____ Weather _____		
How did it happen? Describe in detail _____		
Specific injury or illness: (ie: right thumb, small scrape on knuckle) _____		
Unconscious? _____ How long? _____ Disoriented? _____ Any previous injuries? NO   YES   (Please list at bottom of report)		
What First Aid was given? _____ By _____		
When was the incident reported? _____ To whom? (include job title) _____		
Were other people (employees or guests) involved? _____		
Was property (company or guest's) involved? _____		
<b>Names and phone #'s of witnesses:</b> _____		
Was 911 called? YES   NO   Who called? _____ Transported? _____ Where? _____		
Were you taken to medical facility? YES   NO   If so, by whom? _____ Where? _____		
Present discomfort, if any _____		
<b>LIST PREVIOUS INJURIES OR DISEASES NOT INCLUDED ABOVE</b> (If none, state NONE)		
Dates and nature of previous injuries or illness: _____		
Medical discharge from Military? _____		
Primary Physician _____ Address _____ When last seen _____		
<i><b>I understand that company authorization is necessary <u>prior to seeking treatment</u> for this incident.</b></i>		
The above information is true to the best of my knowledge.		
Date of this report _____ Signed _____		
***** RISK MANAGEMENT INFORMATION *****		
First Aid Only _____ or Sent with _____ to _____ for further medical treatment.		
Authorized by _____		

Figure 7.20 - 7: Employee Statement – Work-Related Incident Form

# New Melones Lake Concession Prospectus

## Exhibit E Operations

EMPLOYEE: _____			
TRAINING TOPIC	REQUIRED	AUTH. INIT.	DATE
ORIENTATION PACKET & EMPLOYEE HANDBOOK	ALL EMP.	_____	_____
JOB DESCRIPTION	ALL EMP.	_____	_____
<b>EMPLOYEE SAFETY TRAINING MANUAL INCLUDES THE FOLLOWING:</b>			
SAFETY TRAINING - Notice to Employees	ALL EMP.	_____	_____
SAFETY TRAINING - Code of Safe Practices	ALL EMP.	_____	_____
SAFETY TRAINING - Policy Against Harassment	ALL EMP.	_____	_____
SAFETY TRAINING - Fraud Notification	ALL EMP.	_____	_____
SAFETY TRAINING —SPCCP	ALL EMP.	_____	_____
SAFETY TRAINING - IIPP	ALL EMP.	_____	_____
SAFETY TRAINING - Assisting Individuals	ALL EMP.	_____	_____
SAFETY TRAINING - Blood borne Diseases	ALL EMP.	_____	_____
SAFETY TRAINING - Dock Winch	DM	_____	_____
SAFETY TRAINING - Fire Extinguishers	ALL EMP.	_____	_____
SAFETY TRAINING - Fuel Dispensing	DMR	_____	_____
SAFETY TRAINING - Hand & Power Tools	ALL EMP.	_____	_____
SAFETY TRAINING - Heat Stress	ALL EMP.	_____	_____
SAFETY TRAINING - Lifting & Handling	ALL EMP.	_____	_____
SAFETY TRAINING - Personal Protection Equipment	DHMR	_____	_____
SAFETY TRAINING - Septic System	DM	_____	_____
DEPARTMENT SAFETY TRAINING	ALL EMP.	_____	_____
EMERGENCY ACTION PLAN - Administration	ALL EMP.	_____	_____
EMERGENCY ACTION PLAN - Battery Room	DM	_____	_____
EMERGENCY ACTION PLAN - Dock	DGHMR	_____	_____
EMERGENCY ACTION PLAN - Electrical System	ALL EMP.	_____	_____
EMERGENCY ACTION PLAN - Fuel System	DGMR	_____	_____
EMERGENCY ACTION PLAN - Propane System	ALL EMP.	_____	_____
EMERGENCY ACTION PLAN - Pump-Out Truck	DGM	_____	_____
EMERGENCY ACTION PLAN - Septic System	DM	_____	_____
EMERGENCY ACTION PLAN - Severe Weather	DM	_____	_____
EMERGENCY ACTION PLAN - Shop	DM	_____	_____
FIRE PREVENTION PLAN - Administration	ALL EMP.	_____	_____
FIRE PREVENTION PLAN - Dock	ALL EMP.	_____	_____
FIRE PREVENTION PLAN - Store	DGMOR	_____	_____
FIRE PREVENTION PLAN - Upper Shop	DMO	_____	_____
TRAINING CHECKLIST - Dock Hand	D	_____	_____
TRAINING CHECKLIST - Greeter / Security	GMOR	_____	_____
TRAINING CHECKLIST - Housekeeping	H	_____	_____
TRAINING CHECKLIST - Marine Technician	M	_____	_____
TRAINING CHECKLIST - Office	O	_____	_____
TRAINING CHECKLIST - Orientator	D	_____	_____
TRAINING CHECKLIST - Reservations/Retail	R	_____	_____
TRAINING CHECKLIST - Supervisor	DHMOR	_____	_____

D = Dock Hand   G = Greeter/Security   H = Housekeeping   M = Marine Tech   O = Office   R = Reservations / Retail

Figure 7.20 - 8: Employee Safety Training Recording

**On-site employee housing**

New Melones Lake Marina maintains one employee-housing site within the designated Marina Area for the use of company employees. The site is made available to employees at the discretion of the General Manager.

The Bureau of Reclamation Resource Manager has determined that the employee-housing site may be developed and maintained to the standards permitted for a Campground Host Recreational Vehicle site.

Employees are required to maintain their sites in compliance with general safety requirements and to abide by park regulations.

## New Melones Lake Concession Prospectus

### Exhibit E Operations

#### 6. Rates and Fees for Facilities and Services

Table 7.20 - 18: New Melones 2012 Published Rates

Seasons	Period	3 Night Weekend	4 Night Weekend	Midweek	Weekly
Escapade					
Spring	Jan 1 – May 3	\$1,722	\$2,050	\$1,722	\$3,190
Late Spring	May 4 – May 24	\$2,010	\$2,391	\$2,010	\$3,721
Early Summer	May 25 – Jun 14	\$2,799	\$3,331	\$2,799	\$5,183
Summer	Jun 15 – Aug 9	\$3,588	\$4,270	\$3,588	\$6,645
Late Summer	Aug 10 – Sept 6	\$2,584	\$3,075	\$2,584	\$4,785
Indian Summer	Sept 7 – Oct 4	\$2,010	\$2,391	\$2,010	\$3,721
Fall	Oct 5 – Dec 31	\$1,722	\$2,050	\$1,722	\$3,190
Odyssey					
Spring	Jan 1 – May 3	\$1,502	\$1,787	\$1,502	\$2,782
Late Spring	May 4 – May 24	\$1,752	\$2,085	\$1,752	\$3,245
Early Summer	May 25 – Jun 14	\$2,441	\$2,905	\$2,441	\$4,520
Summer	Jun 15 – Aug 9	\$3,129	\$3,724	\$3,129	\$5,795
Late Summer	Aug 10 – Sept 6	\$2,253	\$2,681	\$2,253	\$4,172
Indian Summer	Sept 7 – Oct 4	\$1,752	\$2,085	\$1,752	\$3,245
Fall	Oct 5 – Dec 31	\$1,502	\$1,787	\$1,502	\$2,782

#### Houseboat Reservation Terms

A security deposit of \$700 is required within 1 week of making a houseboat reservation. The deposit is refundable by check when you return the boat clean, undamaged, full of gasoline and with all inventory intact. Full rental payment is required at least 75 days before departure. Cancellations made at least 75 days before departure will result in a cancellation fee of \$350. Cancellations 46 to 74 days before departure will result in forfeiture of \$700 security deposit. Cancellations within 45 days of departure are subject to forfeiture of the full rental amount. Changes in reservations within 75 days of departure are subject to cancellation terms. All rates are subject to change without notice. Charter Captain and Co-Captain must be at least twenty-five years old and have a valid state issued driver's license.

**Pumpout**

Under 35' .....	\$15.00
Over 35' .....	\$20.00
Dock service per hour .....	\$65.00
Mechanic per hour .....	\$95.00
Battery charge .....	\$15.00
Battery jump.....	\$20.00

**7. Public Information and Advertising**

**Web Site**

New Melones Lake Marina maintains a website at [www.houseboats.com](http://www.houseboats.com). The website is continuously updated. It offers information on the local area and events, current weather conditions, rental rates and information on our houseboats and small boats. Visitors can submit request for brochures and e-mail the Marina with specific questions.

**Brochure**

The Marina prints a brochure every year. The brochure includes general information on the Lake and the area as well as our rental rates for the current year. A general mailing is sent out at the beginning of the year to prior customers and people who have requested a brochure in the past, plus various mailing lists of boaters. The brochure is also distributed by the Calaveras Visitors' Bureau, the Tuolumne Visitor's Bureau, the Bureau of Reclamation's Visitors' Center, at various boat shows and in brochure racks at local locations.

**Billboard**

The Marina maintains a billboard on Hwy 12, west of San Andreas

**Trade Shows**

In conjunction with Water Resorts, Inc. New Melones Marina will have a presence at several trade shows in 2013-2014.

**Magazine Advertising**

In conjunction with [houseboats.com](http://houseboats.com), New Melones Lake Marina advertises in various publications. New Melones also has ads in the Tuolumne and Calaveras Visitors Bureau Tourism Guides. These guides are mailed to people making inquiries to the Bureaus and are distributed at travel shows and at locations in both counties.

**Radio Advertising** – Various Central Valley and Bay Area Stations

## **New Melones Lake Concession Prospectus**

### **Exhibit E Operations**

#### **Participation**

As part of its ongoing relationship with the local community, New Melones Lake Marina contributes use of its equipment to a variety of local groups and causes. In 2011-2012 they include:

Donation of the use of a boat for a raffle or auction:

- Ironstone Concourse D'Elegance auction to support 4H (7 night Odyssey Houseboat Rental)
- Tuolumne County Black Hat foundation auction to support Search and Rescue
- Calaveras County Chamber of Commerce mixer

#### **Business Associations**

New Melones Lake Marina maintains active memberships in the following groups:

- Calaveras Visitors Bureau
- Tuolumne County Visitors Bureau
- Calaveras Chamber of Commerce



## II. MAINTENANCE

### 1. Established Maintenance Standards

#### A. Routine Maintenance

New Melones Lake Marina conducts routine maintenance on a daily basis on items that require action to maintain public safety and appearance. These items will be subject to U.S. Bureau of Reclamation monitoring for performance and compliance with the terms and conditions of the Concessions Agreement.

New Melones Lake Marina is responsible for the following:

#### **Buildings and Structures**

- Painting -Minor painting as needed. NMLM will submit a scheduled plan for the painting of entire buildings/structures. This plan must be approved in writing prior to any work taking place.
- Structural Repair -Damage that is a hazard to public safety will be repaired immediately. NMLM will submit a scheduled plan for the maintenance of the Resort Marina within the performance clauses and compliance terms and conditions of the Interim Concession Contract.  
This plan must be approved in writing prior to any work taking place
- Vandalism -Will be attended to immediately and reported to the U.S. BOR annually.

#### **Sewage Systems**

As specified in the Emergency Spill Plan, daily inspections and immediate repair are required on all parts of the sewage systems. Potable Water System

NMLM currently uses potable water from a 600 ft deep well located on the leasehold site; untreated and tested annually for health code requirements and monthly for additional coliform safety.

#### **Docks**

Daily inspection of connections, surfaces, bumpers, and floatation devices will be made to ensure public safety. Any problems will be immediately corrected. Fuel Systems As specified in the Spill Plan, daily inspections and immediate repair are required on all parts of the fuel systems.

#### **Rental Boats and Equipment**

All rental boats and equipment will be maintained to reduce hazards to the public and insure public safety. Signs and Advertisements All damaged or vandalized signs and advertisements on the facilities will be repaired or replaced immediately.

# **New Melones Lake Concession Prospectus**

## **Exhibit E**

### **MAINTENANCE**

#### **Parking Areas**

Asphalt parking areas will be swept of gravel and debris to prevent unnecessary wear on the pavement. Traffic stripes will be re-painted when necessary as determined by NMLM. Gravel parking area will be clean of debris, graded and chalked to prevent safety hazards.

Landscaping Weekly clean up of the parking area is scheduled for each boating season. Garbage, Litter, and Roadside Trash New Melones Lake Marina will ensure that the Resort/Marina will be inspected and cleaned daily for garbage, litter, and roadside trash.

#### **B. Lake Elevation Adjustment Plan**

Responsibilities will belong to either the General Manager (GM) or Maintenance Supervisor (MS) as indicated.

#### **Planning -Gathering Data:**

- GM -Weather; using all available sources obtain the most reliable data for forecasts and history (Monthly at a minimum)
- GM -Lake Elevation; using all available sources obtain the most reliable data for forecasts and history (Monthly at a minimum)
- GM -Lake contours; using maps, photos, experience (Monthly at a minimum) This data must be revisited for every unanticipated change in conditions (weather, water management, discovered error, and unexpected contour)
- MS -Inspections: check placement of the Marina in regards to the shoreline for;

#### **Daily**

- Boat traffic
- Foot traffic -
- Motor vehicle traffic
- Electrical service
- Gasoline supply lines
- Sewage removal lines
- Potable water supply

#### **Weekly**

- Shore anchors
- Water anchors

**Developing Term Plans:**

- GM -6-month plans have little value in being developed in detail except to establish at what point in the weather pattern, Water supply pattern, and Lake Elevation pattern the shorter term plans must be considered. A 6-month plan will probably be re-written every month. 6-month plan should contain expected end of month elevations and establish the expected frequency of adjustments.
- GM -3-month plan can be useful to establish equipment and supply needs for budget purposes and could remain fairly stable from May through October. However, a 3 month plan would change monthly from October through May. 3-month plan should also contain end of month elevations and frequency of adjustment schedule. Under any circumstances it requires revisiting monthly.
- MS -Weekly plan needs to anticipate changes in all the factors reviewed daily and schedule adjustments for the coming seven days. Weekly plan will be used to schedule labor. All data gathered should be considered.
- MS -Daily plan must watch for anything missed in the weekly plan and make immediate adjustments when unanticipated changes in elevation occur.

**Adjustments: (MS)**

Bridge: Adjustments need to be made to the bridge with the greatest frequency. This can be from 1 foot of elevation change to 3 feet depending on terrain. In the most ideal conditions the adjustment can be made by loosening or tightening anchor lines and allowing the bridge to travel to the new location. More frequently the bridge needs to be lifted by one of several pieces of equipment (hoist, forklift, barge, jack) and pulled into place by winch, tractor, or powerboat. Before adjustment to the bridge all utilities will be inspected for adequate slack in flex lines and all valves shall be closed. Utilities will be monitored throughout the adjustment and inspected carefully before and after valves are reopened. When the bridge adjustment is complete anchor lines will be checked for angle and tightness.

Utilities: Utilities shall be extended when adequate flex line has been used up by bridge adjustment. Enough flex should be used at bridge on sewage and fuel to allow for 5 to 10 feet of elevation change without additional pipe. This can be 180 days to 12 hours -so planning must be made accordingly. When extension of the pipeline is required the following practices will be used: Fuel lines shall be drained to their lowest possible level at any dispenser. All valves shall be closed. When the junction where pipe will be added is opened -care shall be taken that no source of ignition is present (smoking, electric or internal combustion

## **New Melones Lake Concession Prospectus**

### **Exhibit E**

#### **MAINTENANCE**

motors etc.). Any fuel draining from the open joint will be collected in oil pans or half barrels and disposed of properly. Absorbent pads shall be spread on the ground to prevent spills. The newly installed section joints will be monitored as the valves are re-opened and pads shall remain under the new joints for a reasonable period.

Sewage Lines shall be cleaned by pumping a minimum of 100 gallons of lake water through the system before opening the joints and then inspected carefully after the extension has been added. All lake water used for cleaning of the system shall be captured and disposed as Black wastewater.

Potable water lines shall have chlorine tablets inserted to all open pipe joints and after completing the extension; water shall be flushed from the nearest tap until the odor of chlorine has passed.

Electric Lines should be extended by licensed Electrical Contractor and so it would be advisable to provide at least 30 days of anticipated need of flex cable when extending these lines.

Anchor adjustments to winches may be required more than daily and almost hourly at the greatest rate of movement that the Marina has experienced and when an anchor cable has moved to an angle which is no longer adequate for its purpose the anchor must be moved or replaced. When anchor cable has filled the spool or the spool is almost empty, then cable must be added or removed. The decision to take these actions must be made on a daily basis by the Maintenance Supervisor.

#### **C. Safety Maintenance Standards** **Health and Safety**

Safety Plan Review: Spring and Fall

Name of Responsible Office Blaine Rigger – General Manager

##### **Resort Area**

New Melones Lake Marina has established, implemented, and monitors a Safety Program for the protection of employees, visitors, and property. New Melones Lake Marina meets all Federal, State, and county safety standards. Twice each operating season a review of the Safety Plan with the employees is conducted and kept on file for review.

##### **Boats**

All rental boats are equipped with safety gear as required under the Safe Boating Act and U.S. Coast Guard requirements. One vessel is designated

as a response vessel and is available at all times for use within the permitted boundary area.

**Facility Inspections**  
**Name of Inspectors**

Quarterly  
Blaine Riggert

**First Aid And Medical Emergencies**

First Aid Kits will be placed at public gathering areas throughout the facility. A diagram for locations of the First Aid Kits is on file and can also be found on the New Melones site and dock maps in the Business Plan prepared for the County.

**First Aid Kit Location**

**Date Inspected or Inventoried**

Upper Shop	Monthly
Lower Shop	Monthly
Retail Store	Monthly
Employee Break Area (Dock)	Monthly

**Major Emergency**

In any major emergency (accident involving a major injury or death) New Melones Lake Marina will call the following in the order listed:

- 1 To report emergency .....911
- 2 USBR Dispatch ..... 536-9094

All serious injuries or major accidents will be reported to the USBR promptly, and a written incident report will be filed if needed.

**Fire Safety**

Annual Inspections Annual inspections are conducted by U.S. Bureau of Reclamation, and monitored by the U.S. Bureau of Reclamation  
Fire Safety Pre-Plan A Fire Safety Pre-Plan will be developed showing the location of all fire emergency equipment and be made available to responding fire departments, and all employees. See Business Plan prepared for Calaveras County.

Listed below are the types of fire emergency equipment and location of equipment (fire extinguishers, fire hydrants, water sources, etc.)

**Type Of Fire Equipment**

**Location Of Fire Equipment**

Fire Extinguishers	All Gas Dispensers
	Rental Moorage Docks
	Store
	Shop
	Rental Boats
	Response Boat

# **New Melones Lake Concession Prospectus**

## **Exhibit E**

### **MAINTENANCE**

In any fire emergency, NMLM will call the following in the order listed:

- 1 To report emergency ..... 911
- 2 USBR Dispatch ..... (209)536-9094

All serious injuries or major accidents will be reported to the Bureau of Reclamation within one hour of occurrence. The Bureau of Reclamation will file a written incident report if determined necessary.

#### **1 Electrical Systems**

All electrical systems meet the National Electrical Code requirements. Upon request of the Authorized Officer a licensed electrician will inspect the electrical system.

##### **System Operation**

A Federal Agency feeds the electric system to the electrical building located at the top of the service road. A transformer, main breaker panel, and shut off are located at the Marina. Marina power is fed from the electrical building through a series of electrical boxes and hookups running along the south side of the launch ramp.

##### **System Maintenance**

There is no required maintenance for the electrical system at NMLM. Employees are informed of potential hazard, and are trained to report any potential hazards or problems. All repairs are done by trained personnel or a licensed electrician

#### **Location of Electrical Breaker Panels**

Grey Metal Box at top of Service Road

Marina Store - storage room

White Box on Marina dock

#### **2 Fuel Facilities**

Fuel storage and dispersal facilities are inspected annually for leaks and general condition. All fuel facilities comply with regulations as set forth by the State of California and the Environmental Protection Agency.

Licensed/certified personnel upon the request of the Authorized Officer will inspect the gas system(s). Shutoff valves are located at the head of each service finger in the containment box found under the aluminum access hatch. Fuel flow can be stopped electronically with the console located in the marina store.

Location of Lpg Shut-off Valves – On LPG Barge - Emergency Shut off  
Switch LPG System Operation

Date of Last Inspection – Daily Use

Only trained personnel operate the propane system. New Melones Lake Marina has contracted the service of the system and refilling of the tanks to a propane company. Every spring a vendor representative is scheduled to thoroughly train the employees on the correct procedures of using the propane system. The contents of this training are not explained in this document. It is understood by all employees that only those persons who have received this training are allowed to operate the propane system to refill the portable tanks used on the vessels.

### **3 LPG System Maintenance**

The contracted vendor performs all maintenance on the propane system. No New Melones Lake Marina employee is trained or licensed to maintain and/or alter the propane system or its components. New Melones Lake Marina employees are aware of potential hazards or problems that may occur while operating the system. This includes reporting any potential hazards or problems to their supervisor before operating the system in any capacity.

#### **Operation and Maintenance of Fuel System**

- **Fuel System Operation**

The flow of fuel originates at the 12,000 land storage. A galvanized piping system then feeds it to the dock. All of the piping at this point and throughout the marina is pressurized and is constantly monitored by a full shutdown leak detection system.

Hard piping carries the fuel from the cylinder on the lower parking lot to the bridge. At this point rubber piping continues across the bridge and through the dock and at each transition point, such as to the store fuel piping and at the head of each service finger.

In the store is where the fuel authorization console is located, permitting the flow of fuel to each dispenser electronically. This system also provides the capability for stopping the flow of fuel by selecting the ALL STOP button.

An emergency stop switch is located near the entrance to the store and, in the event of an emergency, can be accessed. The emergency switch is clearly marked and is intended to serve as a means to shut down the entire fuel system instantly by the public, employees, or others unfamiliar with the systems operation.

- **Fuel System Maintenance**

Maintenance and repair rely on daily visual inspection and the full shutdown monitoring system to detect the need for action. All threaded connections are secondarily contained and receive periodic inspection.

## **New Melones Lake Concession Prospectus**

### **Exhibit E**

#### **MAINTENANCE**

Electronic monitoring and the fuel authorization system have components that can fail, but each system has built in override capabilities. Most employees do not have the knowledge to conduct repair on these systems, but all employees are trained to recognize fuel spills. Furthermore, all employees are trained to follow proper protocol, including first responder calls to management and the agencies that handle hazardous, flammable, and toxic materials. Detailed information is found in the Spill Prevention Control and Countermeasure (SPCCP) that is introduced to employees.

#### **4 Septic System**

All septic systems will meet State and County standards and requirements. Licensed/certificated personnel upon the request of the Authorized Officer will inspect the septic systems. Remote on/off controls are located on the stanchion on each service finger and a portable on/off remote is in the manager's office.

<b>Location of septic system shut-offs</b>	<b>Inspection frequency</b>
The head of each service finger	Weekly
Every 6' for septic piping on land. (manual)	Weekly

#### **5 Hazardous Materials**

The storage and use of hazardous material meet all Federal, State, and County standards and requirements. Licensed/certified personnel upon the request of the Authorized Officer will inspect hazardous material use and storage. Safety precautions are used in the storage, use, and labeling of hazardous materials. Listed below are all storage and use locations of all hazardous materials, and date of last inspection.

<b>Location of Hazardous Materials</b>	<b>Date of Last Inspection</b>
Shop	Monthly
Maintenance Storage Room	Monthly

#### **6 Emergency Procedures**

An Emergency Plan describing how employees will respond to any emergency is reviewed twice each operating season with all employees. Emergency procedures will include maps and telephone numbers, and will be conspicuously displayed.

<b>Date of Emergency Plan Review</b>	<b>Responsible Official</b>
Spring and Fall Blaine	Riggert

In an emergency, New Melones Lake Marina will call the following in the order listed:



- 1 To report emergency .....911
- 2 USBR Dispatch ..... 536-9094

## **7 Water System**

- **System Operation**

New Melones Lake Marina water is supplied by the New Melones Lake Marina.

- **System Maintenance**

Repair all leaks as needed to maintain the integrity of the system. All repairs are to be done by trained personnel or a certified plumber.

## **2. Schedule of Maintenance Projects**

### **Docks**

- General Maintenance to Marina Docking (tighten nuts and bolts).
- Check all roof panels and secure as required.
- Inspect all cables above water surface, replace worn cables, check and fix any loose cable clamps.
- Dismantle utilities to some of the docks not used in winter season.
- Inspect all utility lines around Marina.

### **Rental Houseboats**

- Remove bulk of Houseboat fleet to dry storage yard
- Winterize boats in yard
- Review and fix minor damages to exterior of houseboats (winter/spring)

### **Small boats**

- Remove some ski boats and patio boats to storage yard for repairs.
- Pull Waverunners for winter storage

### **Mechanical**

- Service and Repair generators, 4 cycle motors, outboard motors and drives, hot tub heaters and water heaters. Work to be done in yard shop winter/spring.

## **3. Roster of Maintenance Personnel Positions**

Blaine “Smokey” Riggert, General Manager

## **4. Replacement of Concession Facilities**

With two year time limit, projects are limited to:

- Continuing to rebuild and repair:  
Wave Attenuator  
Party Boat

**New Melones Lake Concession Prospectus**  
**Exhibit E**  
**MAINTENANCE**

- We are considering future improvement to:  
WiFi system for boaters

**5. Maintenance Equipment and Replacement Schedule**

**Maintenance Equipment-None scheduled to be replaced by 12/31/2014**

International truck & Houseboat trailer (Class A License Required)

Clark Forklift (Certified Drivers only) .....	One Honda 4x4 Quad
Septic Truck .....	Chevy S-10 Pick up Truck
GMC Pick up Truck.....	Two Kawasaki 250 ATVs
Ford F-150 Pick up Truck.....	Pioneer Club Cart

### **III.APPENDIX**

- 1 Business Plan - Calaveras County  
Site Map and Dock Complex included
- 2 Vehicle & Vessel Lists @ 8/31/2012

**New Melones Lake Concession Prospectus**  
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**APPENDIX**

**1. Business Plan – Calaveras County**

**Site Map and Dock Complex included**

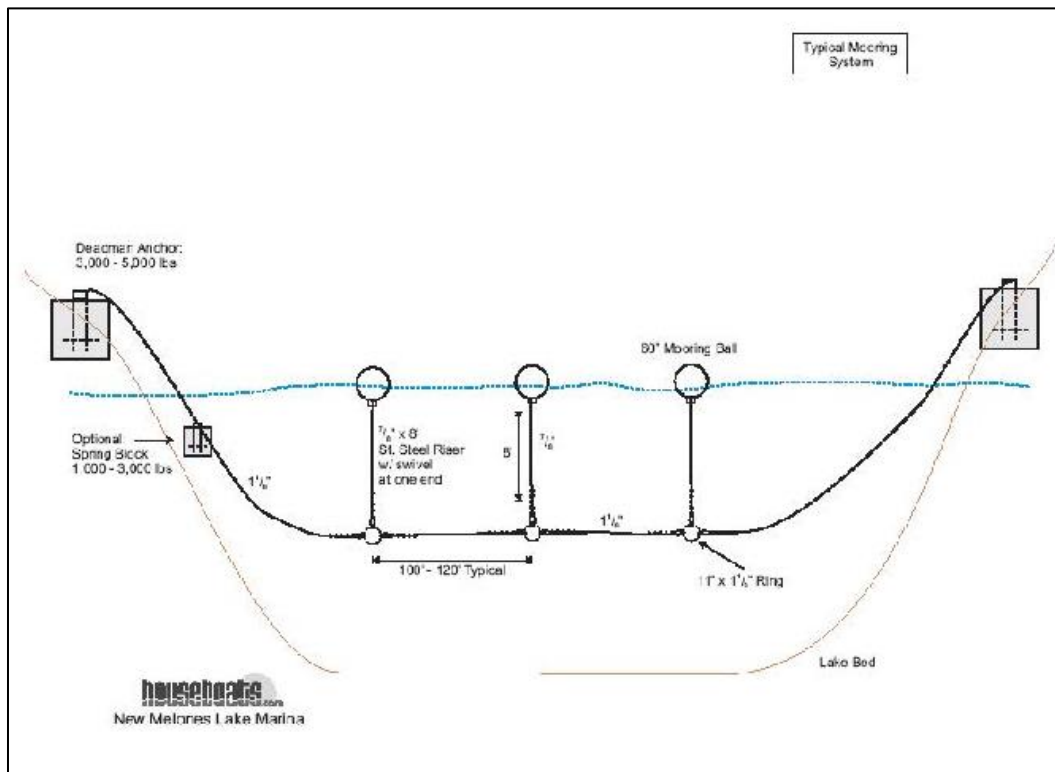


Figure 7.20 - 9: Typical Mooring System

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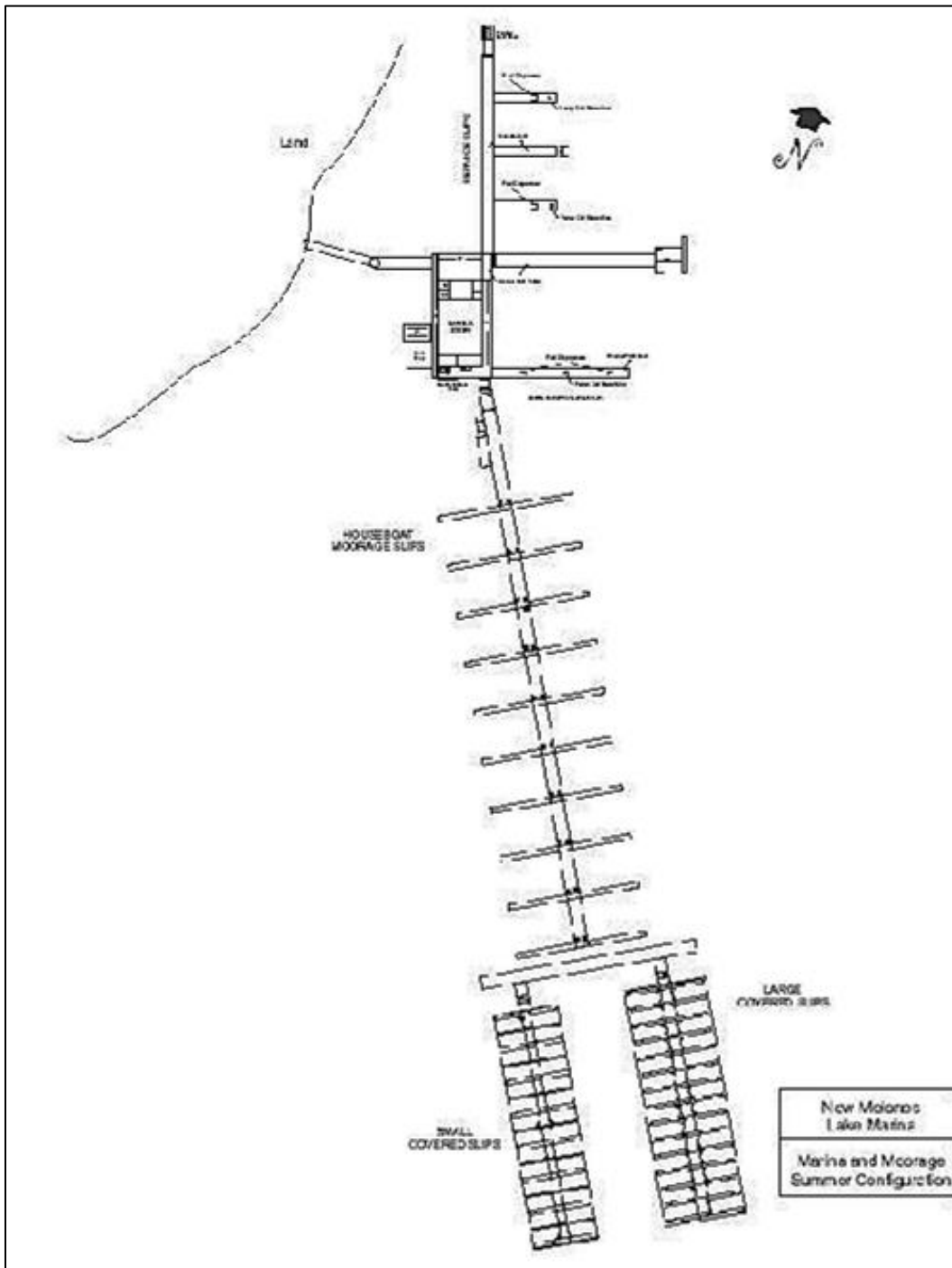


Figure 7.20 - 10: Marina and Moorage Summer Configuration

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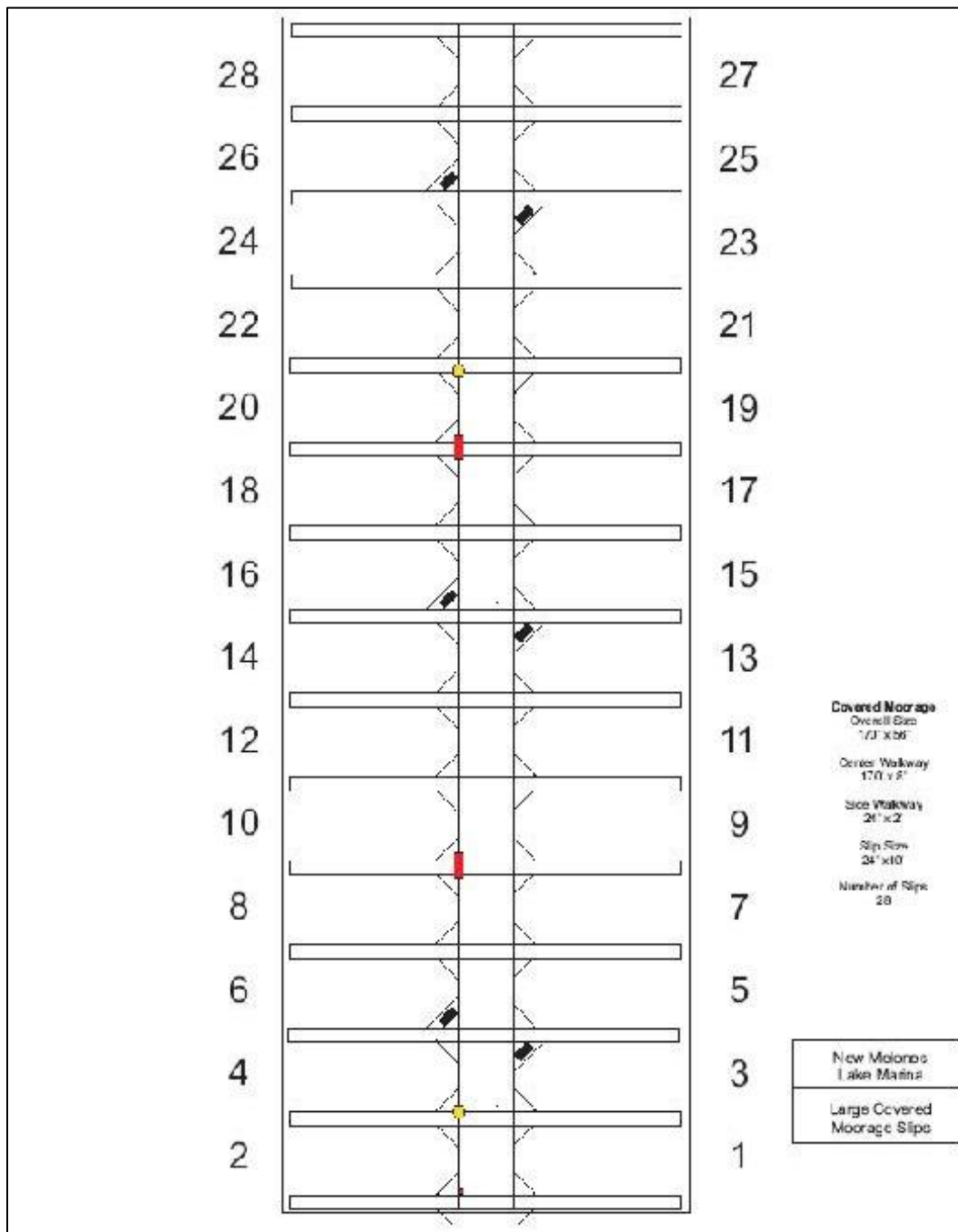


Figure 7.20 - 11: Large Covered Moorage Slips

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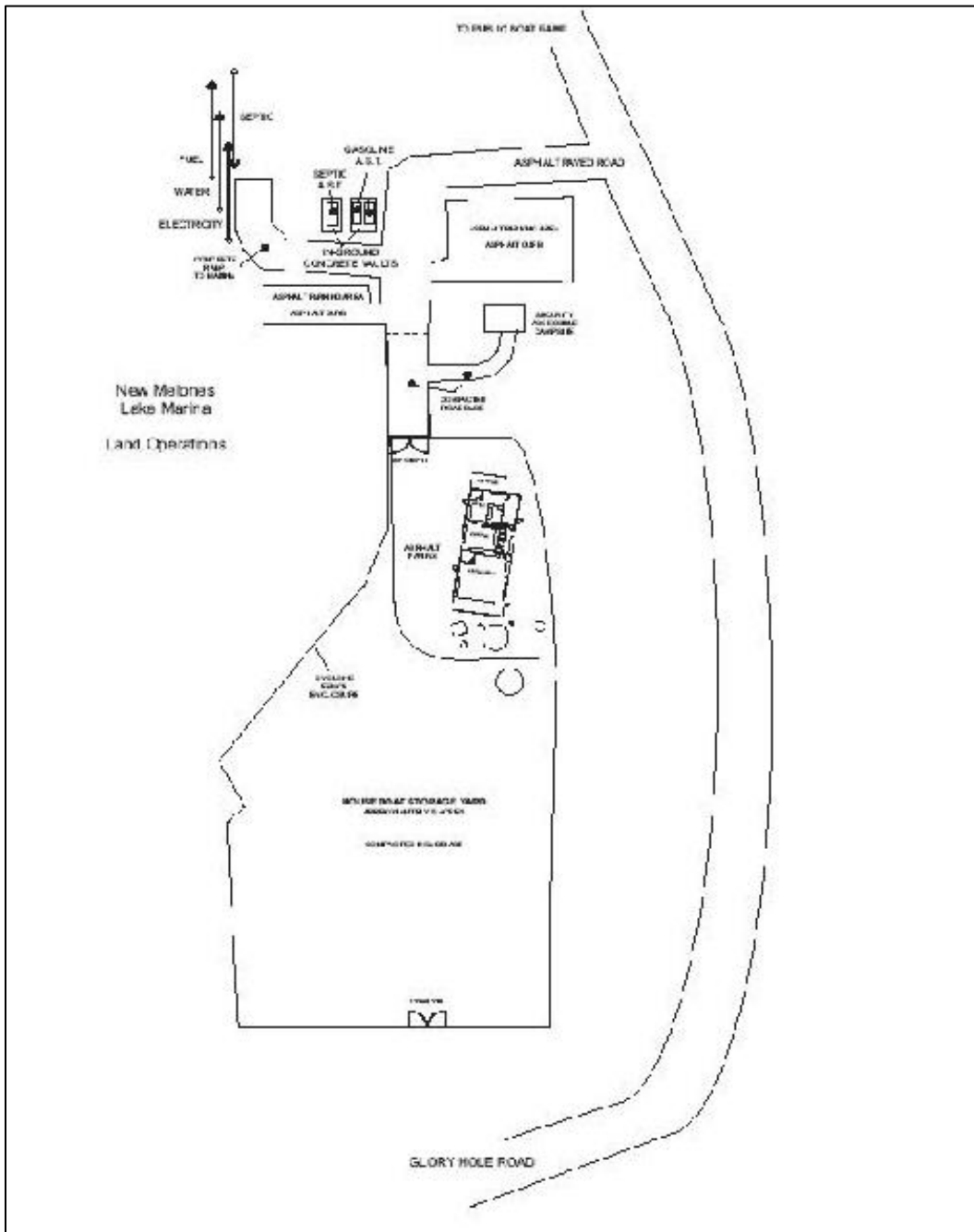


Figure 7.20 - 12: New Melones Lake Marina Land Operations



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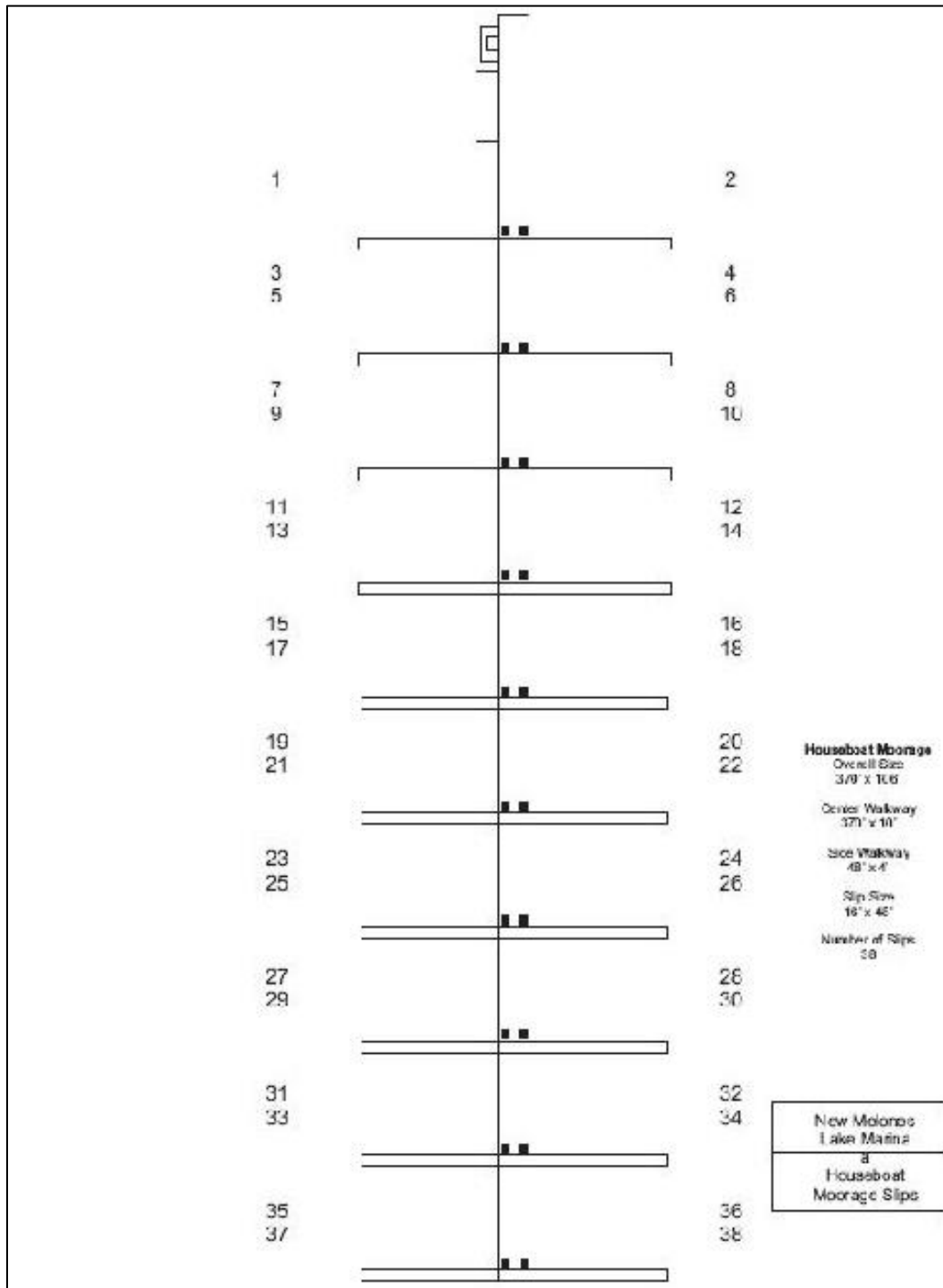


Figure 7.20 - 13: New Melones Lake Marina Houseboat Moorage Slips

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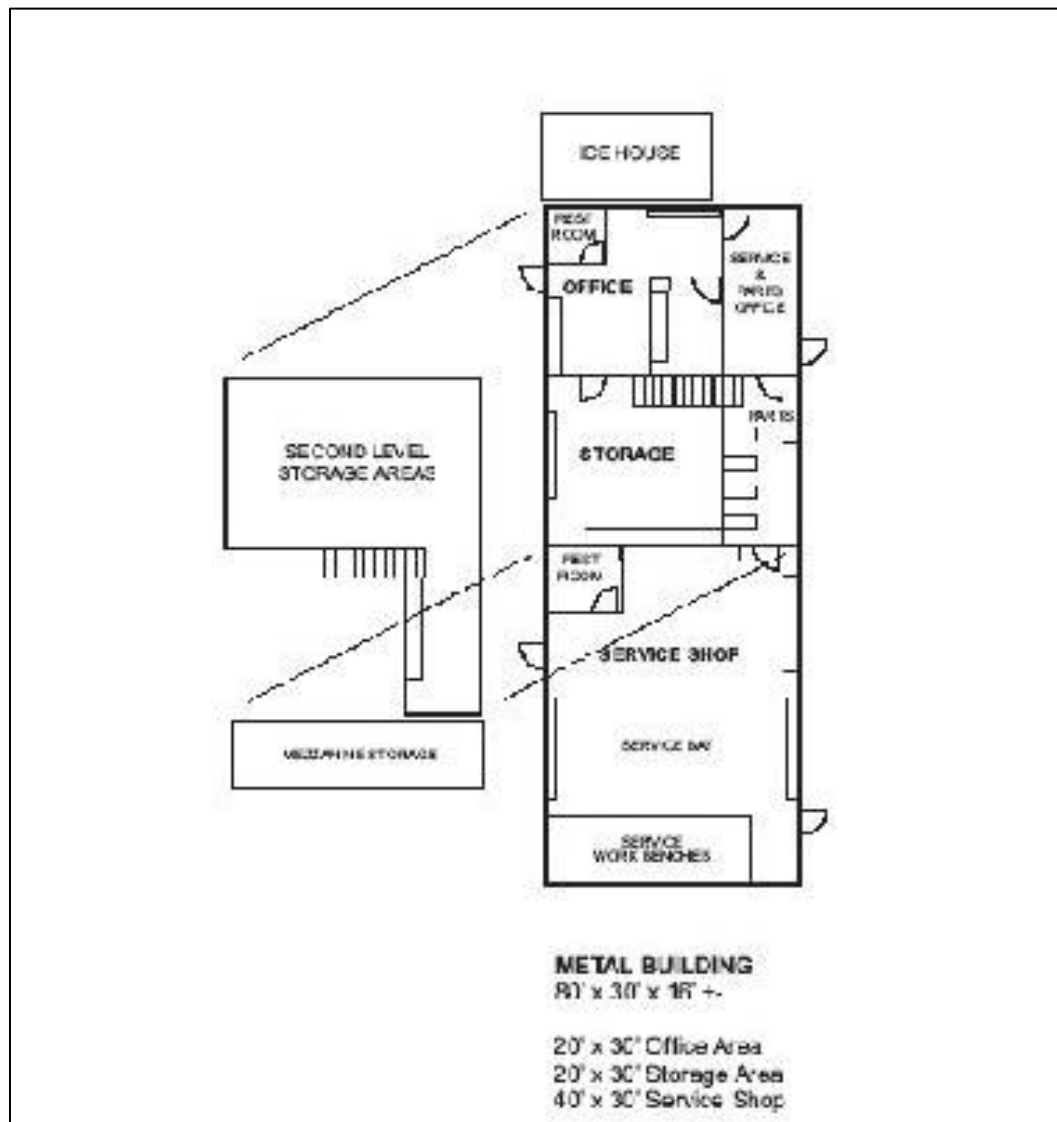


Figure 7.20 - 14: Metal Building Plan

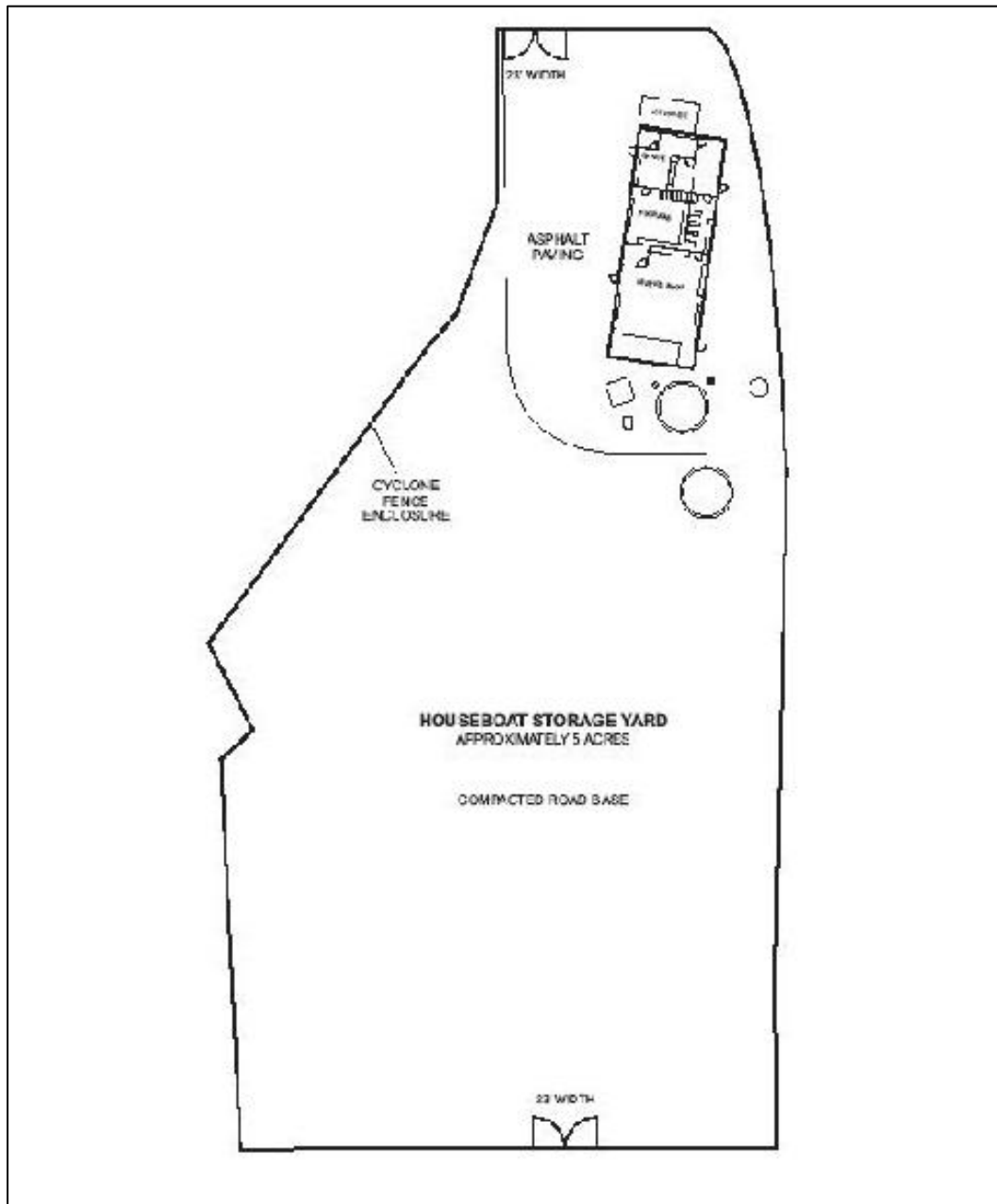


Figure 7.20 - 15: Houseboat Storage Yard

**New Melones Lake Concession Prospectus**  
**Exhibit E**  
**APPENDIX**

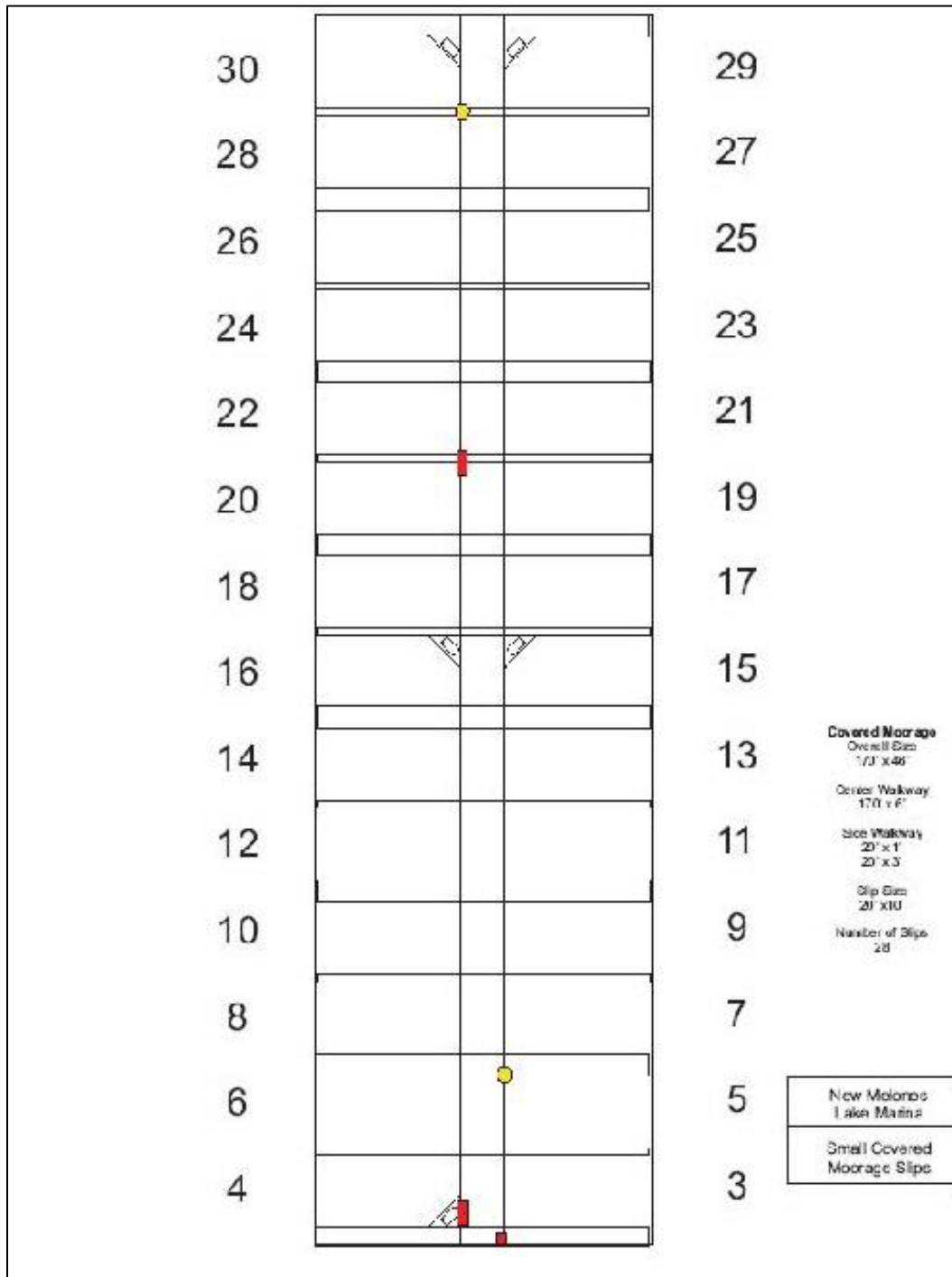


Figure 7.20 - 16: Small Covered Moorage Slips

## **2. Vehicle & Vessel Lists**

### **New Melones Lake Marina**

### **Vehicle List August 2012**

<b>Sys No</b>	<b>Year</b>	<b>Description</b>	<b>License #</b>	<b>VIN #</b>
3	1996	1996U-Built Twin Anchor	4FF5948	TAM0021296
		HsbtTrlr		
299	2005	Bluewater Boat trailer	4JW2913	1VMBG1916510 27507
4	1999	Truck-1999 GMC	6A40738	1GTGC24ROXR704988
12	1999	99 Starcraft EZ Loader Trailer	4DM6029	1DHNALMA3X1093223
			replaced-(1JE9943)	
13	1990	1990 International Tractor	6E9876	1HSRDX4R7LH257487
192	1996	Trailer-HMDE	4BF3634	VIN CA783198
			replaced-(1FM6914)	
264	1987	1987 Kofler Trailer	4CV3028	1K9B51518H1042102
265	2001	Chevy S 10	6W84637	1gccs19w11k164044
338	2006	06 Ford F150	8D62389	1FTRF12W56KB50194
339	1978	1978 Ford Septic Truck	3D47253	R80QVCA6348
	2002	Gem G82 (electric Car)	TBD	5asa647402f026125
	2005	TOYOTA AVALON 2005	5NTK450	4T1BK36BO5U030785

**New Melones Lake Concession Prospectus**  
**Exhibit E**  
**APPENDIX**

Table 7.20 - 19: Vehicle & Vessel List for August 2012

Description	Year	Style	Vendor/Mfg	CF #	Feet	Hull Mat	VIN #	Pulp
Valco CF2988LE	2000			CF2988LE		Aluminum	HUL01094C000	
Valco CF2706LE	2000	Fishing Boat		CF2706LE		Aluminum	HUL01278L900	OB
Valco CF2708LE	2000	Fishing Boat		CF2708LE		Aluminum	HUL01066C000	OB
04 Escapade CF5520LE	2004	Escapade	Twin Anchors	CF5520LE	56'	Aluminum	QTANM021D404	I/O
Escapade CF6119LE	2005	Escapade	Twin Anchors	CF6119LE	56'	Aluminum	QTAMC009L405	I/O
05 Escapade 5673LE	2005	Houseboat	Twin Anchors	CF5673LE	56'	Aluminum	QTANM022B505	I/O
Escapade CF6403LE LMM	2006	Escapade	Twin Anchors	CF6403LE	56'	Aluminum	QTAMC010B606	
Escapade CF6030LE LMM	2004	Escapade	Twin Anchors	CF6030le	56'	Aluminum	QTAMC008E404	
06 Escapade CF6227LE	2006	Houseboat	Twin Anchors	CF6227LE	56'	Aluminum	QTANM024L506	I/O
Odyssey CF2620LE from Shasta	2000	Houseboat	Twin Anchors	CF2620LE	56'	Aluminum	QTAJV009J900	I/O
02 Odyssey-CF 4088 LE	2002	Odyssey	Twin Anchors	CF 4088 LE	14x56	Aluminum	QTANM018G102	I/O
02 Odyssey-CF 4089 LE	2002	Odyssey	Twin Anchors	CF 4089 LE	14x56	Aluminum	QTANM019G102	I/O
02 Odyssey-CF 4087 LE	2002	Odyssey	Twin Anchors	CF 4087 LE	14x56	Aluminum	QTANM020G102	I/O
Odyssey CF3368LE LMM	2001	Odyssey	Twin Anchors	CF3368LE	56'	Aluminum	QTAHH005K001	
Odyssey CF3941LE LMM	2001	Odyssey	Twin Anchors	CF3941LE	56'	Aluminum	QTAMC006J001	
Patio Boat CF5672LD LMM	1987	Patio Boat	Patio Cruiser	CF5672LD	22'6"	Aluminum	MRT22501F787	OB
Patio Boat CF5673LD LMM	1987	Patio Boat	Patio Cruiser	CF5673LD	22'6"	Aluminum	MRT22502F787	OB
Patio Boat- CF5461LD	1987	Patio Boat	Patio Cruiser	CF 5461 LD	6x22	Aluminum	MRT22506F787	OB
Patio Boat- CF5462LD	1987	Patio Boat	Patio Cruiser	CF 5462 LD	6x22	Aluminum	MRT22505F787	OB
Patio Boat- CF5512LD	1987	Patio Boat	Patio Cruiser	CF 5512 LD	6x22	Aluminum	MRT22504F787	OB
05 Breeze CF5903LE	2005	Ski Boat	Bluewater	CF5903LE	18x5	Fiberglass	SRVIL559E505	I/O
05 Breeze CF5904LE	2005	Ski Boat	Bluewater	CF5904LE	18x5	Fiberglass	SRVIL564E505	I/O
06 Bluewater CF6429LE	2006	Ski Boat		CF6429LE	18'	Fiberglass	SRVILL639E606	I/O
06 Bluewater 6280LE	2006	Ski Boat		CF6280LE	18'	Fiberglass	SRVILL644E606	I/O
Bluewater Breeze CF5497LE	2004	Ski Boat	Bluewater	CF5497LE	18x5	Fiberglass	SRV1L373G304	I/O
Bluewater Breeze-CF5496LE	2004	Ski Boat	Bluewater	CF5496LE	18x5	Fiberglass	SRV1L410A404	I/O
Malibu Wakesetter CF5514LE	2004	Ski Boat	Malibu	CF5514LE	21x5	Fiberglass	MB2D8559E404	I/O
Malibu Wakesetter CF5343LE	2004	Ski Boat		CF5343LE	21'	Fiberglass	MB2D8592E404	I/O
06 Waverunner CF6111LE	2006	Waverunner	Yamaha	CF6111LE		Fiberglass	US - YAMA1442C606	Jet
06 Waverunner CF6110LE	2006	Waverunner	Yamaha	CF6110LE		Fiberglass	US - YAMA1441C606	Jet
Yamaha Waverunner - CF5694LE	2005	Waverunner	Yamaha	CF5694LE		Fiberglass	YAMA1585E505	Jet
Yamaha Waverunner - CF5695LE	2005	Waverunner	Yamaha	CF5695LE		Fiberglass	YAMA2004E505	Jet
Yamaha Waverunner - CF5675LE	2005	Waverunner	Yamaha	CF5675LE		Fiberglass	YAMA1709E505	Jet
Yamaha Waverunner - CF5674LE	2005	Waverunner	Yamaha	CF5674LE		Fiberglass	YAMA2458B505	Jet
Yamaha CF 7730LE	2008	Waverunner	Yamaha	CF 7730LE		Fiberglass	Yama1076I708	Jet
Yamaha CF 7731LE	2008	Waverunner	Yamaha	CF 7731LE		Fiberglass	Yama3045i809	Jet
Hewescraft-workboat HEW34330E202	2002	Sportsman	Hewes Craft	CF 3828 PX	18'	Aluminum	HEW34330E202	
Koefler Work Boat CF5463LD	1987	Work Boat		CF5463LD	18'		BJA00127E787	
CAF Work Barge CF1351HW	1978	Work Boat	CAF	CF1351HW		Aluminum	CFX000510478	
SeaSwirl workboat CF2714LE	2000	Work Boat		CF2714LE	17'5"	Fiberglass	BRCE162BD000	
Work Barge Rebuild CF9346HJ	1978	Work Boat		CF9346HJ			CFX000260278	
98 Workboat CF2335SY	1998	Work Boat		CF2335SY		Aluminum	GRC10437G898	
NM Work Patio Bt CF0887KG	0			CF0887KG			MRT255200380	
Fire Boat CF4601XC	1986	Fire Boat	Commander	CF4601XC	19'	Aluminum	COJ94151586	



# **Exhibit F**

## **Alternate Disposition Plan**

### **Melones Lake Marina**

Prepared August 2012

This Alternate Disposition Plan is provided in accordance with Section 4.B.2 of the Concession Contract. It identifies the Concession Contractor Improvements intended to be removed by the Concession Contractor upon termination or expiration of the Interim Concession Contract, and those intended to remain on the Federal Estate. Concession Contractor Improvements remaining on the Federal Estate after termination or expiration of the Interim Concession Contract will be deemed abandoned per Section 4.B.3.

All Personal Property owned by the Concession Contractor will be removed. Personal property owned by others will be removed as per Section 4.B.4.

All trash, refuse and other debris shall be removed at conclusion of the Interim Concession Contract

Concession Contractor Improvements and Personal Property stored, but not currently in use as a part of the concession operations at the time the Interim Concession Contract is signed shall be removed prior to December 1, 2014.

#### **1 Concession Contractor Improvements to be Removed by Concession Contractor.**

##### **Docks, Slips, fixtures**

56' Houseboat Slip Dock (38 slips) with electrical transformer, winches, and 5th wheels

24' Covered Berthing Building (28 slips)

All operating equipment:

- Rental vessels, automobiles, work boats, fire boat,
- 20' Conex Boxes – (2)
- Floating Restrooms - (2)
- Houseboat Service Dock\* - plan to remove, but to be further assessed by JVR GM
- Fire boat slip – (1)
- Personal Property, Inventory



- All accounting records
- All Company Records
- Sewage – electric peristaltic pumps (2 @ 5 hp each)
- Above ground sewage line to dock will be removed
- All scaffolding, shelving, and containment at boatyard & shop

**2 Personal Property of Others to be Removed**

- All private boats and accessories
- All private boat trailers
- Ice containers – (2) at store and (1) at boatyard –will be removed by owner, Jack Frost Ice Co.
- Propane tanks & pump – will be removed by owner, Mother Lode Propane

**3 Concession Contractor Improvements to be Left on Site**

*Note: NMLM will raft together floating assets and move all to the winter location approved by Reclamation, secured and anchored at time of departure.*

Floating Marina Store- including gondolas and displays

AC and heating units in Store and Office

Wood Docks - 24' open slips (44 slips)

Mooring Balls (50)

Gas Dock

Courtesy Dock & Gangway

5<sup>th</sup> wheels and winches on abandoned docks

Restrooms – landside and floating including those attached to marina store

Small Shop - floating - backside of store

Pumpout piping - attached to marina store/gas dock, to be capped

Shop Building (landside) & Boat Yard

Existing Roads, parking lots and yard improvements

One Covered Berthing structure (20', 28 slips)

Existing Lighting (at roadways, abandoned buildings and docks)

Sewer System-capped at tank

Existing Telephone lines

Electrical Power Cable – at paved parking lot large transformer belongs to

Reclamation, plus power and lines to shop and office all belongs to PG&E

Water well and supply system

Hydrostatic pressure system and Water storage Tank are property of Reclamation

Gas storage tanks-capped at tank

Propane flotation dock

All fencing

All signs/signage

Wave attenuator

Recycle center and containment

Marina anchors

# **EXHIBIT G**

## **ANNUAL FINANCIAL REPORT**

### **CONCESSION CONTRACTOR ANNUAL FINANCIAL REPORT**

#### ***GENERAL INSTRUCTIONS***

The Annual Financial Report (AFR) instruction booklet was prepared by Reclamation to help the preparers of the AFR complete the enclosed schedules. For each schedule, a corresponding page is attached that explains (by line item) the information that needs to be provided in the schedule. Many of the required schedules are similar to statements frequently prepared as part of GAAP financial statements, however, please note that some of the AFR Schedules require more detail with respect to information. For example, Schedules F and G require detailed information for the revenues and expenses for based on the type of activity. If the Bidder's financial statements prepared in compliance with GAAP also use a similar categorization for required information, such statements may be submitted in lieu of the AFR Schedules.

If the Concession Contractor has operations conducted by the same entity that are not related to the Concession Contract, or if multiple Concession Contracts are being operated by the same entity, then the Concession Contractor must submit complete financial statements for the entity that present the financial condition of the Concession Contractor, PLUS the required set of AFR Schedules for each Concession Contract, PLUS such worksheets and schedules as are necessary to document the reasonableness of the allocation of any fixed overhead, officer salaries or similar items.

#### **A. Who Must File**

All Concession Contractors must file a Concession Contractor Annual Financial Report corresponding to each year of operation. Concession Contractors operating in more than one area under the same contract shall prepare a separate report for each area in which the operations are located.

#### **B. When and Where to File**

Concession Contractors must file an AFR within the time period specified in the authorizing document (contract or permit). Concession Contractors shall submit one signed original and one copy to the Contracting Officer administering the area. Failure to submit the complete and accurate Schedules timely shall be considered a significant default of this Contract. In the event that the Concession Contractor determines that a significant possibility exists that a previously submitted AFR schedule contains a

material error, then the Concession Contractor must notify Reclamation within 30 calendar days. In the event that the Concession Contractor is in default with its vendors, or has been threatened with a lawsuit, or has been sued, Concession Contractor must notify the Contracting Officer within 5 business days.

### **C. Where to Get Report Format**

Concession Contractors may obtain the Concession Contractor Annual Financial Report format from the Contracting Officer or base the reports on the format found in this Exhibit E.

### **D. Rounding**

All entries should be rounded to the nearest dollar and \$0.50 should be rounded to the next highest dollar.

### **E. Requirement for Audit and Review**

All supplemental schedules must be fully completed and submitted by the Concession Contractor. If a Concession Contractor's annual gross revenues equal or exceed \$250,000, the Primary Schedules (Schedules A through F, I, and P of the Concession Contractor Annual Financial Report, below) must be reviewed by independent licensed CPA in accordance with all applicable standards recognized by the American Institute of Certified Public Accountants. If annual gross revenues equal or exceed \$1,000,000, the Primary Schedules must be audited by an independent CPA in accordance with the same standards mentioned above.

If the Concession Contractor's gross revenues are less than \$250,000, the Concession Contractor is required to complete only Schedules A, B, C, D, E, F, G, H, I, J, K, N, O, P, Q, R, and S. In all events, the AFR Schedules submitted by the principal executive officer and the principal financial officer must include certifications that:

- The signing officers have reviewed the report
- The report does not contain any material untrue statements or material omission or be considered misleading
- The financial statements and related information fairly present the financial condition and the results in all material respects
- The signing officers are responsible for internal controls and have evaluated these internal controls within the previous year (within the previous ninety days for entities with more than \$10,000,000 in gross revenues) and have reported on their findings

**New Melones Lake Concession Prospectus**  
**EXHIBIT G**  
**ANNUAL FINANCIAL REPORT**

- A list of all deficiencies in the internal controls and information on any fraud that involves employees who are involved with internal activities
- Any significant changes in internal controls or related factors that could have a negative impact on the internal controls

# New Melones Lake Concession Prospectus

## EXHIBIT G

### ANNUAL FINANCIAL REPORT



	<b>UNITED STATES DEPARTMENT OF THE INTERIOR</b> <b>BUREAU OF RECLAMATION</b>	Bureau of Reclamation Use Only Date Received: _____																																																			
<h2 style="margin: 0;">CONCESSION CONTRACTOR ANNUAL FINANCIAL REPORT</h2>																																																					
Concession Contractor: _____																																																					
Area: _____																																																					
(Contract or Permit No.)	(Effective Date)	(Expiration Date)																																																			
<input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship																																																					
<b>Primary and Supplemental Schedules</b> <table style="width: 100%; border: none;"> <tr><td style="width: 30%;">Schedule A</td><td style="width: 5%;">–</td><td>Statement of Income</td></tr> <tr><td>Schedule B</td><td>–</td><td>Balance Sheet</td></tr> <tr><td>Schedule C</td><td>–</td><td>Depreciable Fixed Assets</td></tr> <tr><td>Schedule D</td><td>–</td><td>Statement of Cash Flows</td></tr> <tr><td>Schedule E</td><td>–</td><td>Notes to the Financial Statements</td></tr> <tr><td>Schedule F</td><td>–</td><td>Details of Gross Revenues</td></tr> <tr><td>Schedule G</td><td>–</td><td>Departmental Income and Expenses</td></tr> <tr><td>Schedule G1</td><td>–</td><td>Departmental Income and Expenses (Continuation Sheet)</td></tr> <tr><td>Schedule H</td><td>–</td><td>Indirect Operating Expenses</td></tr> <tr><td>Schedule I</td><td>–</td><td>Computation of Government Fees</td></tr> <tr><td>Schedule J</td><td>–</td><td>Information on Corporate Owners, Officers, and Partners</td></tr> <tr><td>Schedule K</td><td>–</td><td>Supporting Schedule</td></tr> <tr><td>Schedule L</td><td>–</td><td>Additions to and Disposals of Fixed Assets</td></tr> <tr><td>Schedule N</td><td>–</td><td>Reserve Account Annual Reconciliation</td></tr> <tr><td>Schedule O</td><td>–</td><td>Reserve Account Expenditures</td></tr> <tr><td>Schedule P</td><td>–</td><td>Operational and Miscellaneous Financial Statistics</td></tr> <tr><td>Schedule P1</td><td>–</td><td>Operational and Miscellaneous Financial Statistics (continuation sheet)</td></tr> </table>			Schedule A	–	Statement of Income	Schedule B	–	Balance Sheet	Schedule C	–	Depreciable Fixed Assets	Schedule D	–	Statement of Cash Flows	Schedule E	–	Notes to the Financial Statements	Schedule F	–	Details of Gross Revenues	Schedule G	–	Departmental Income and Expenses	Schedule G1	–	Departmental Income and Expenses (Continuation Sheet)	Schedule H	–	Indirect Operating Expenses	Schedule I	–	Computation of Government Fees	Schedule J	–	Information on Corporate Owners, Officers, and Partners	Schedule K	–	Supporting Schedule	Schedule L	–	Additions to and Disposals of Fixed Assets	Schedule N	–	Reserve Account Annual Reconciliation	Schedule O	–	Reserve Account Expenditures	Schedule P	–	Operational and Miscellaneous Financial Statistics	Schedule P1	–	Operational and Miscellaneous Financial Statistics (continuation sheet)
Schedule A	–	Statement of Income																																																			
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<b>CONCESSION CONTRACTOR'S CERTIFICATION</b>																																																					
I certify that this report (including accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct, and complete report.																																																					
_____ (Concession Contractor's Signature)	_____ (Title)	_____ (Date)																																																			
_____ (Mailing Address)		_____ (Telephone number)																																																			
_____ (E-Mail Address)		_____ (FAX number)																																																			

Figure 7.20 - 17: Financial Contractor Annual Financial Report

**New Melones Lake Concession Prospectus**  
**EXHIBIT G**  
**ANNUAL FINANCIAL REPORT**

**Schedule A – Statement of Income**

- Line 1. Enter the amount shown on Schedule G, Column A, Line 2.  
Line 2. Enter the amount shown on Schedule G, Column A, Line 3.  
Line 3. Subtract Line 2 from Line 1 and enter the amount.  
Line 4. Enter the amount shown on Schedule G, Column A, Line 8.  
Line 5. Subtract Line 4 from Line 3 and enter the amount.  
Line 6. Enter the amount shown on Schedule G, Column A, Line 27.  
Line 7. Subtract Line 6 from Line 5 and enter the amount.  
Line 8. Enter the amount shown on Schedule H, Line 10.  
Line 9. Enter the amount shown on Schedule H, Line 32.  
Line 10. Enter the amount shown on Schedule I, Line 31.  
Line 11. Add Lines 8 through 10.  
Line 12. Subtract Line 11 from Line 7 and enter the amount.  
Line 13. Enter the amount paid or accrued for the rental of facilities. This category will include mostly rental of facilities outside the area boundary. It will exclude the cost to rent equipment, which should be included in the amount entered on Line 6.  
Line 14. Self-Explanatory.  
Line 15. Self-Explanatory.  
Line 16. Self-Explanatory.  
Line 17. Enter the amount shown on Schedule C, Column G, Line 6.  
Line 18. Enter the total year's amortization charge for all classes of intangible assets.  
Line 19. Enter the description of other fixed expenses and amounts for these fixed expenses not shown elsewhere.  
Line 20. Enter the description of other fixed expenses and amounts for these fixed expenses not shown elsewhere.  
Line 21. Add Lines 13 through 20 and enter the amount.  
Line 22. Subtract Line 21 from Line 12 and enter the amount.  
Line 23. Enter the total amount of all interest and dividend revenue accrued and earned during the year.  
Line 24. Enter the total amount of all gains and losses resulting from the sale of assets.  
Line 25. Enter the total amount of all compensation received from subconcession Contractors.  
Line 26. Enter the description and income from sources not shown elsewhere.  
Line 27. Add Lines 23 through 26 and enter the amount.  
Line 28. Subtract Line 27 from Line 22 and enter the amount.  
Line 29. Self-Explanatory.  
Line 30. Self-Explanatory.  
Line 31. Add Lines 29 and 30 and enter the amount.  
Line 32. Subtract Line 31 from Line 28 and enter the amount.

# New Melones Lake Concession Prospectus

## EXHIBIT G ANNUAL FINANCIAL REPORT

Concession Contractor		Year Ending:	
Statement of Income		SCHEDULE A	
		This Year	Last Year
<b>Departmental Income</b>			
1.	Gross Revenues (Schedule G, Column A, Line 2) .....		
2.	Returns and Allowances (Schedule G, Column A, Line 3) .....		
3.	Net Sales (Schedule G, Column A, Line 4) .....		
4.	Cost of Sales (Schedule G, Column A, Line 8) .....		
5.	Gross Profit (Schedule G, Column A, Line 9) .....		
6.	Total Direct Expenses (Schedule G, Column A, Line 27) .....		
7.	Departmental Income (Loss) (Schedule G, Column A, Line 28) .....		
<b>Indirect Operating Expenses</b>			
8.	Undistributed Departmental Expenses (Schedule H, Line 10) .....		
9.	General and Administrative Expenses (Schedule H, Line 32) .....		
10.	Franchise Fees (Schedule I, Line 31) .....		
11.	Total Indirect Operating Expenses .....		
12.	Total Income (Loss) from Operations Before Fixed Expenses .....		
<b>Fixed Expenses</b>			
13.	Rent .....		
14.	Property Taxes .....		
15.	Business/Liability/Property Insurance .....		
16.	Interest Expense .....		
17.	Depreciation (Schedule C, Column G, Line 6) .....		
18.	Amortization .....		
19.	Other (Identify)* .....		
20.	Other (Identify)* .....		
21.	TOTAL FIXED EXPENSES .....		
22.	INCOME (LOSS) BEFORE INCOME TAXES AND OTHER INCOME OR EXPENSES .....		
<b>Other Income (Expenses)</b>			
23.	Interest and Dividend Income .....		
24.	Gain (Loss) on Sale of Property .....		
25.	Commissions/Fees/Compensation from SubConcession Contractors (Schedule I, Line 24) .....		
26.	Other (Identify)* .....		
27.	TOTAL OTHER INCOME (EXPENSES) .....		
28.	INCOME (LOSS) BEFORE INCOME TAXES .....		
<b>Income Taxes</b>			
29.	Federal .....		
30.	State and Local .....		
31.	TOTAL INCOME TAXES .....		
32.	NET INCOME (LOSS) .....		

Figure 7.20 - 18: Schedule A – Statement of Income

**New Melones Lake Concession Prospectus**  
**EXHIBIT G**  
**ANNUAL FINANCIAL REPORT**

**Schedule B – Balance Sheet**

- Line 1. Self-Explanatory.  
Line 2. Self-Explanatory.  
Line 3. Self-Explanatory.  
Line 4. Self-Explanatory.  
Line 5. Enter the amounts receivable from shareholders, officers, and related entities. This amount must be fully explained in Schedule E, Notes to the Financial Statements.  
  
Line 6. Self-Explanatory.  
Line 7. Self-Explanatory.  
Line 8. Enter the description and total amount of other current assets not shown elsewhere.  
  
Line 9. Add Lines 1 through 8 and enter the amount.  
Line 10. Enter the amount shown on Schedule C, Column G, Line 4, if Schedule C is submitted.  
  
Line 11. Enter the amount shown on Schedule C, Column G, Line 8, if Schedule C is submitted.  
  
Line 12. Subtract Line 11 from Line 10 and enter the amount.  
Line 13. Self-Explanatory.  
Line 14. Self-Explanatory.  
Line 15. Add Lines 12 through 14 and enter the amount.  
Line 16. Self-Explanatory. Should equal Schedule N, Line 13.  
Line 17. Enter the description and amount of other assets not shown elsewhere.  
  
Line 18. Add Lines 16 and 17 and enter the amount.  
Line 19. Add Lines 9, 15, and 18 and enter the amount.  
Line 20. Enter the amounts payable from shareholders, officers, and related entities. This amount must be fully explained in Schedule E, Notes to the Financial Statements.  
  
Lines 21-25 Self-Explanatory.  
Line 26. Enter amounts such as advance deposits for services not yet rendered (e.g., river trips and lodging).  
Line 27. Enter the description and amounts for other current liabilities not shown elsewhere.  
  
Line 28. Add Lines 20 through 27 and enter the amount.  
Line 29. Self-Explanatory.  
Line 30. Enter the description and amounts for all other long-term liabilities not shown elsewhere.  
  
Line 31. Add Lines 29 and 30 and enter the amount.  
Line 32. Add Lines 28 and 31 and enter the amount.  
Line 33. To be filled out by Sole Proprietorships or Partnerships but **NOT** Corporations.  
  
Lines 34-37 To be filled out by Corporations but **NOT** Sole Proprietorships or Partnerships.



**New Melones Lake Concession Prospectus**

**EXHIBIT G**

**ANNUAL FINANCIAL REPORT**

Line 38. Sole Proprietorships and Partnerships enter the amount from  
Line 33. Corporations enter the total of Lines 34, 36, and 37 less  
Line 35.

Line 39. Add Lines 32 and 38 and enter amount.

**Note:** line 19 must equal line 39. If the assets reported by the Concession Contractor are used for both in-area and out-of-area revenue, the assets reported on the balance sheet should be proportional to the amount of Sales generated in the area. The basis for this allocation should be explained in schedule e, “notes to the financial statements.”

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Concession Contractor		Year Ending:	
Balance Sheet		SCHEDULE B	
ASSETS		This Year	Last Year
<b>Current Assets</b>			
1.	Cash .....		
2.	Marketable Securities .....		
3.	Inventories – Merchandise .....		
4.	Accounts Receivable .....		
5.	Notes Receivable – Related Party .....		
6.	Notes Receivable – Other .....		
7.	Prepaid Expenses .....		
8.	Other (Identify) .....		
9.	TOTAL CURRENT ASSETS .....		
<b>Fixed Assets</b>			
10.	Depreciable Fixed Assets (Schedule C, Column G, Line 4) .....		
11.	Less: Accumulated Depreciation (Schedule C, Column G, Line 8) .....		
12.	Net Depreciable Fixed Assets (Schedule C, Column G, Line 9) .....		
13.	Construction in Progress .....		
14.	Interest During Construction .....		
15.	TOTAL FIXED ASSETS .....		
<b>Other Assets (Identify)</b>			
16.	Reserve Account (Schedule N, Line 13) .....		
17.	Other (Identify) .....		
18.	TOTAL OTHER ASSETS .....		
19.	TOTAL ASSETS .....		
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
20.	Notes Payable – Related Party .....		
21.	Notes Payable – Other .....		
22.	Accounts Payable .....		
23.	Current Maturities on Long-Term Debt .....		
24.	Government Franchise Fee Payable .....		
25.	Accrued Liabilities .....		
26.	Advance Deposits .....		
27.	Other (Identify) .....		
28.	TOTAL CURRENT LIABILITIES .....		
<b>Long-Term Liabilities</b>			
29.	Long-Term Debt, Less Current Maturities .....		
30.	Other (Identify) .....		
31.	TOTAL LONG-TERM LIABILITIES .....		
32.	TOTAL LIABILITIES .....		
<b>EQUITY</b>			
33.	Partner's or Proprietor's Capital .....		
34.	Common and Preferred Stock .....		
35.	Less: Treasury Stock .....		
36.	Additional Paid – In Capital .....		
37.	Retained Earnings .....		
38.	TOTAL EQUITY .....		
39.	TOTAL LIABILITIES AND EQUITY .....		

Figure 7.20 - 19: Schedule B – Balance Sheet

## **Schedule C – Depreciable Fixed Assets**

### **General**

Columns A and B are to be used only for fixed assets in which Reclamation has granted the Concession Contractor the right to make improvements pursuant to the Concession Facilities Improvement Program (CFIP) pursuant to the concession contract.

The costs of Concession Capital Improvements are to be entered in Column A and B

Concession Contractors showing amounts in Columns A or B that are damaged by some event (hereinafter “Destruction Event”) whether said damage is covered in whole or in part or not covered by insurance, Replacement may or may not be required by Reclamation. If replacement is required, and not completed, the concession contractor will be in breach of Contract. Any actions necessitated by a Destruction Event shall be reviewed and approved in an expedited manner inconsistent with the CFIP previously approved or as may be modified in writing and approved by Reclamation. Absent written approval from Reclamation prior to the expenditure of insurance proceeds, insurance proceeds must be utilized to restore the Concession area to its state before the Destruction Event.

In Columns A or B, enter the Concession Contractor’s capital costs of all alterations, additions, and improvements approved pursuant to the CFIP. The CFIP does not include routine repairs and maintenance. The Concession Contractor should expense routine repairs and maintenance

Columns D, E, and F relate to personal property assets such as transportation, furniture, movable fixtures, equipment, and other personal property in which the Concession Contractor intends to use in the Concession area or at other locations. The completion of Columns D-F are optional.

Concession Contractors showing amounts on lines 2, 3, and 7 must complete Schedule L, “Additions to and Disposals of Fixed Assets,” giving details of the acquisition or disposal of assets.

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- Line 1. Enter in the appropriate columns the fixed asset balances at the beginning of the year. The amounts entered must agree with the amounts on Line 4, ending balance on the previous year's report. If the amounts do not agree, attach an explanation.
- Line 2. Enter in the appropriate columns additions to fixed assets during the current year.
- Line 3. Enter in the appropriate columns disposals of fixed assets during the current year.
- Line 4. Subtract Line 3 from the sum of Lines 1 and 2 and enter the amount.
- Line 5. Enter in the appropriate columns the accumulated depreciation balances at the beginning of the year. The amounts entered must agree with the amounts on Line 8, ending balance on the previous year's report. If the amounts do not agree, attach an explanation.
- Line 6. Enter in the appropriate columns the depreciation of fixed assets during the current year.
- Line 7. Enter in the appropriate columns the accumulated depreciation of fixed assets disposed of during the current year.
- Line 8. Subtract Line 7 from the sum of Lines 5 and 6 and enter the amount.
- Line 9. Subtract Line 8 from Line 4 and enter the amount.

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Concession Contractor			Year Ending:				
Depreciable Fixed Assets			Schedule C				
	Approved Improvements to Real Property		Other Assets				
	Infrastructure Improvements	Facilities Improvements	Other Improvements	Transportation Equipment	Furniture, Fixtures, & Equipment	Other	Total
	A	B	C	D	E	F	G
<b>Cost</b>							
1. Prior Year Balance							
*2. Additions this Year							
*3. Disposals this Year							
4. Ending Balance (Carry Column G to Schedule B, Line 10)							
<b>Accumulated Depreciation</b>							
5. Prior Year Balance							
6. Depreciation this Year							
*7. Accumulated Depreciation on Assets Disposed this Year							
8. Ending Balance (Carry Column G to Schedule B, Line 11)							
9. Net Depreciable Fixed Assets, End of Year (Carry Column G to Schedule B, Line 12)							
* If any entries are made on Lines 2, 3, or 7, complete Schedule L							

Figure 7.20 - 20: Schedule C – Depreciable Fixed Assets

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**Schedule D – Statement of Cash Flows**

- Line 1. Enter the amount of cash received from customers.
- Line 2. Enter the amount of cash paid for merchandise.
- Line 3. Enter the amount of cash paid for wages and other operating expenses.
- Line 4. Enter the amount of cash paid for interest.
- Line 5. Enter the amount of cash paid for taxes.
- Line 6. Enter the amount of cash paid to the Bureau of Reclamation.
- Line 7. Add Lines 1 through 6.
- Line 8. Enter the amount paid to acquire fixed assets.
- Line 9. Enter the amount of money received from the sale of assets.
- Line 10. Enter the amount of money received from the sale of land.
- Line 11. Enter the description and amounts for other investing activities not shown elsewhere.
- Line 12. Add Lines 8 through 11.
- Line 13. Enter the amount of the increase or decrease in intercompany receivables.
- Line 14. Enter the amount of cash received from the issuance of stock.
- Line 15. Enter the amount of cash paid to retire outstanding bonds.
- Line 16. Enter the amount of the dividends paid to the shareholders.
- Line 17. Enter the description and amounts for other financing activities not shown elsewhere.
- Line 18. Add Lines 13 through 17.
- Line 19. Add Lines 7, 12, and 18.
- Line 20. Enter the amount shown on Schedule B, 2nd Column, Line 1
- Line 21. Add Lines 19 and 20. The sum should equal the amount shown on Schedule B, 1st Column, Line 1
- Line 22. Enter the amount shown on Schedule A, Line 32.
- Line 23. Enter the amount shown on Schedule C, Column G, Line 6.
- Line 24. Enter the amount shown on Schedule A, Line 18.
- Line 25. Enter the amount of provision for losses on accounts receivable.
- Line 26. Enter the amount shown on Schedule A, Line 24.
- Line 27. Enter the amount of the increase or decrease in the inventory.
- Line 28. Enter the amount of the increase or decrease in the accounts receivable.
- Line 29. Enter the amount of the increase or decrease in the other assets.
- Line 30. Enter the amount of the increase or decrease in the prepaid expenses.
- Line 31. Enter the amount of the increase or decrease in the accounts payable.
- Line 32. Enter the amount of the increase or decrease in the franchise fee payable.
- Line 33. Enter the amount of the increase or decrease in the accrued liabilities.

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- Line 34. Enter the amount of the increase or decrease in the advance deposits.
- Line 35. Enter the amount of the increase or decrease in the other liabilities.
- Line 36. Enter the amount of the increase or decrease in the division equity.
- Line 37. Sum lines 23 through 36 and add or subtract the difference from Line 22.

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Concession Contractor		Year Ending:
Statement of Cash Flows – Direct Method		SCHEDULE D
<b>Cash Flows From Operating Activities</b>		
1.	Cash received from customers .....	
2.	Cash paid for merchandise .....	
3.	Cash paid for wages and other operating expenses .....	
4.	Cash paid for interest .....	
5.	Cash paid for taxes .....	
6.	Cash paid to Bureau of Reclamation .....	
7.	Net Cash Flows Provided (Used) by Operating Activities .....	
<b>Cash Flow From Investing Activities</b>		
8.	Purchase of fixed assets .....	
9.	Purchase from sale of equipment .....	
10.	Purchase from sale of land .....	
11.	Other .....	
12.	Net Cash Flow Provided (Used) by Investing Activities .....	
<b>Cash Flow From Financing Activities</b>		
13.	Net increase or decrease in intercompany receivable account .....	
14.	Cash received from issuing stock .....	
15.	Cash paid to retire bonds .....	
16.	Cash paid for dividends .....	
17.	Other .....	
18.	Net Cash Flows Provided (Used) by Financing Activities .....	
19.	<b>NET INCREASE (DECREASE) IN CASH</b> .....	
20.	CASH AT THE BEGINNING OF YEAR (Schedule B, 2nd. Column, Line 1) .....	
21.	CASH AT END OF YEAR (Schedule B, 1st Column, Line 1) .....	
<b>Reconciliation of Net Income to Net Cash Provided by Operations</b>		
22.	Net Income (Schedule A, Line 32) .....	
Adjustments to reconcile net income to net cash provided by operating activities		
23.	Depreciation expense (Schedule C, Column G, Line 6) .....	
24.	Amortization expense (Schedule A, Line 18) .....	
25.	Provision for losses on accounts receivable .....	
26.	Gain or loss on sale of fixed assets (Schedule A, Line 24) .....	
27.	(Increase) Decrease in inventories .....	
28.	(Increase) Decrease in accounts receivable .....	
29.	(Increase) Decrease in other assets .....	
30.	(Increase) Decrease in prepaid expenses .....	
31.	(Increase) Decrease in accounts payable .....	
32.	(Increase) Decrease in franchise fee payable .....	
33.	(Increase) Decrease in accrued liabilities .....	
34.	(Increase) Decrease in advance deposits .....	
35.	(Increase) Decrease in other liabilities .....	
36.	(Increase) Decrease in division equity .....	
37.	Net Cash Provided by Operating Activities .....	
* All "Other" items over \$10,000 should be identified on Schedule K (Supporting Schedule).		

Figure 7.20 - 21: Schedule D - Statement of Cash Flows – Direct Method



**Schedule E – Notes to the Financial Statements**

There should be included in the notes a description of all significant accounting policies followed by the reporting entity. Commonly required disclosures include, but are not limited to, policies relating to:

- A. Accounting Method
- B. Depreciation Method
- C. Amortization of Intangibles
- D. Inventory Pricing
- E. Pension, Profit Sharing, and Stock Option Plans
- F. Computation of Net Income per Share
- G. Amortization of the Cost in Excess of Net Assets of Business Acquired
- H. Accounting for Income Taxes

The following are typical items and those items specific to concessions operating on the Federal estate with respect to which all significant facts should be disclosed and characterized through such notes:

- A. Long-Term Debt Agreements (including interest rate and payment term)
- B. Leases
- C. Contingent Liabilities
- D. Pending Lawsuits
- E. Pension and Profit Sharing Plans
- F. Income Taxes
- G. Changes in Accounting Methods
- H. Long-Term Contracts
- I. Extraordinary Items of Income or Expenses
- J. Related Party Transactions, including loan agreements and inter-company charges (such as management fees and corporate overhead expenses)
- K. Consulting agreements and contract services
- L. Concession Contractor assets used to provide the services authorized in the concession contract that are also used by the Concession Contractor for activities not related to the concession
- M. Allocation to the concession of revenues, expenses, and net income generated by the assets identified under the previous item (item L.)

Concession Contractor	Year Ending:
Notes to the Financial Statements	SCHEDULE E

Figure 7.20 - 22: Schedule E – Notes to the Financial Statements

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**Schedule F – Details of Gross Revenues**

Enter on the appropriate lines the gross revenues from each of the services listed. Enter subtotal by department, as indicated. Amounts entered in the “This Year Departmental Total” column must be forwarded to Schedule G. Total gross revenue amounts reported on Schedules A, F, and G must be the same. The Schedule G totals from the prior year will be used to complete the prior year column for Schedule F. If the Contractor determines that prior year information was incorrect, an explanation of the correction must be attached.

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**Schedule G**

Concession Contractor		Year Ending:		
Details of Gross Revenues		SCHEDULE F		
	This Year Departmental Total 20__	Percent of all Revenues for 20__	Last Year Departmental Total 20__	Percent of all Revenues for 20__
<b>LODGING Sch G Col ____</b>				
1. Hotel and Motel .....	_____	_____	_____	_____
2. Cabins and Cottages .....	_____	_____	_____	_____
3. Tent Cabins .....	_____	_____	_____	_____
4. Backcountry .....	_____	_____	_____	_____
<b>EMPLOYEE MEALS and LODGING Sch G Col ____</b>				
5. Employee Lodging .....	_____	_____	_____	_____
6. Employee Food .....	_____	_____	_____	_____
<b>FOOD Sch G Col ____</b>				
7. Restaurant (Full Service) .....	_____	_____	_____	_____
8. Cafeteria .....	_____	_____	_____	_____
9. Snack Bar and Fast Food .....	_____	_____	_____	_____
10. Alcoholic Beverage Bar .....	_____	_____	_____	_____
<b>SOUVENIRS Sch G Col ____</b>				
11. Gifts, Curios .....	_____	_____	_____	_____
12. Genuine Authorized Native Handcraft .....	_____	_____	_____	_____
<b>GENERAL MERCHANDISE Sch G Col ____</b>				
13. Grocery .....	_____	_____	_____	_____
14. Package Liquor .....	_____	_____	_____	_____
15. Photographic .....	_____	_____	_____	_____
16. Other (Identify)* .....	_____	_____	_____	_____
<b>CAMPGROUNDS Sch G Col ____</b>				
17. Tents .....	_____	_____	_____	_____
18. RV Camping (without hook-ups) .....	_____	_____	_____	_____
19. RV Camping (with hook-ups) .....	_____	_____	_____	_____
20. RV Park (All other RV revenues excluding camping) .....	_____	_____	_____	_____
<b>AUTO SERVICE Sch G Col ____</b>				
21. Fuel and Oil .....	_____	_____	_____	_____
22. Parts, Service and Other .....	_____	_____	_____	_____
<b>MARINA Sch G Col ____</b>				
23. Slips and Mooring .....	_____	_____	_____	_____
24. Houseboat Rental .....	_____	_____	_____	_____
25. Boat and Motor Rental .....	_____	_____	_____	_____
26. Fuel and Oil .....	_____	_____	_____	_____
27. Boat and Motor Sales .....	_____	_____	_____	_____
28. Boat Repair .....	_____	_____	_____	_____
29. Dry Storage .....	_____	_____	_____	_____
30. Other (Identify)* .....	_____	_____	_____	_____
<b>TRANSPORTATION Sch G Col ____</b>				
31. Boat .....	_____	_____	_____	_____
32. Cruise Ship .....	_____	_____	_____	_____
33. Vehicle .....	_____	_____	_____	_____
34. Other (Identify)* .....	_____	_____	_____	_____
35. Saddle Horse and Livery .....	_____	_____	_____	_____
36. Float Trip and River runners .....	_____	_____	_____	_____
<b>ADDITIONAL REVENUE SOURCES Sch G Col ____</b>				
37. Skiing Fees (Cross Country Fees and Lift Tickets) .....	_____	_____	_____	_____
38. Vending Machine .....	_____	_____	_____	_____
39. Bathhouse .....	_____	_____	_____	_____
40. Canoe and Tube Rental .....	_____	_____	_____	_____
41. Rentals (Auto, Equipment, Other) .....	_____	_____	_____	_____
42. Hunting Guides .....	_____	_____	_____	_____
43. Guide and Instructional Service .....	_____	_____	_____	_____
44. Health Service .....	_____	_____	_____	_____
45. Golf Sales .....	_____	_____	_____	_____
46. Catalog Sales .....	_____	_____	_____	_____
47. Other (Identify)* .....	_____	_____	_____	_____
48. Other (Identify)* .....	_____	_____	_____	_____
49. Other (Identify)* .....	_____	_____	_____	_____
50. <b>TOTAL GROSS REVENUES (Schedule G, Column A, Line 2)</b>	_____	_____	_____	_____

\* All "Other" items over \$10,000 should be identified on Schedule K (Supporting Schedule).

**Figure 7.20 - 23: Schedule F – Details of Gross Revenues**

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**Schedules G and G1 – Departmental Income and Expenses**  
**(and continuation sheets as are necessary)**

**General**

The schedule of departmental income provides for the identification and presentation of financial data in a format that isolates and defines the operations of each revenue and cost center and provides a basis for internal and external comparisons.

Concession Contractors providing services at several locations within an area may consolidate the results of the operations by department.

This schedule provides columns for a breakdown of departmental income. The departmental breakdown required is identified on Schedule F. Not all, perhaps none, of the Concession Proposals will contain every type of income contemplated on Schedule F. If revenues and/or expenses for the initial year and each subsequent year are allocable to a department listed on Schedule F, please assign each type of Departmental Income to a column in the order listed on Schedule F. For example, if income for three departments are reportable, then results would be reported in columns B - D with total results reported in column A. If at any time after beginning operations, the Contractor, with the approval of Reclamation, has additional, fewer or different, departments, include the results of discontinued or new operations for the reporting period in the appropriate department, clearly indicate the date that services are added, withdrawn or changed, and add any clarifying notes to allow proper analysis of the financial results as compared to the prior years.

If additional columns are needed, use Schedule G-1 (continuation sheet). Please number the continuation sheets and continue to identify departmental columns in alphabetical order (e.g., E, F, and G).

Column A must reflect the total of all entries on all other columns, including those on the continuation sheets.

- |         |   |
|---------|---|
| Line 1. | Enter the name of the department as identified on Schedule F.   |
| Line 2. | Enter, by department, the total gross revenues accruing to the concession from all sales. The amount entered should be exclusive of sales, excise, or other taxes collected for any taxing authority. If any taxes are included, please indicate. |
| Line 3. | Self-Explanatory.   |
| Line 4. | Subtract Line 3 from 2 and enter the amount, by department.   |
| Line 5. | Enter, by department, the beginning inventory. The amount entered must agree with amounts on Line 7, ending inventory of the previous year's report. If the amounts do not agree, attach an explanation.  |

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- Line 6. Enter, by department, the cost of all purchases at gross invoice price less discounts plus transportation, storage, and delivery charges.
- Line 7. Enter, by department, the amount of the ending inventory.
- Line 8. Subtract Line 7 from the sum of Lines 5 and 6 and enter the amount, by department.
- Line 9. Subtract Line 8 from Line 4 and enter the difference, by department.
- Line 10. Enter, by department, the amount of direct salary and wage expense applicable to each category.
- Line 11. Enter, by department, the allocated portion of payroll taxes, health and life insurance, pension expenses, and other related expenses.
- Line 12. Enter, by department, the sum of Lines 10 and 11.
- Line 13. Enter, by department, the remuneration paid to authorized agents for business secured, including travel agents' commissions.
- Line 14. Enter, by department, the cost of direct operating supplies.
- Line 15. Enter, by department, the cost of all Federal, State, and local licenses, permits, and fees.
- Line 16. Enter, by department, the cost of reservation and booking activities.
- Line 17. Enter, by department, the cost of laundry and uniforms.
- Line 18. Enter, by department, the cost of china, silver, and glass.
- Line 19. Enter, by department, the cost of equipment rental.
- Line 20. Enter, by department, the cost of contract services.
- Line 21. Enter, by department, the cost of transportation expense (including fuel and oil which includes both vehicles and boats).
- Line 22. Enter, by department, the cost of spoilage.
- Line 23. Enter, by department, the description and cost incurred for direct expenses not shown elsewhere.
- Line 24. Enter, by department, the description and cost incurred for direct expenses not shown elsewhere.
- Line 25. Enter, by department, the description and cost incurred for direct expenses not shown elsewhere.
- Line 26. Add Lines 13 through 25 and enter the amount, by department.
- Line 27. Add Lines 12 and 26 and enter the amount, by department.
- Line 28. Subtract Line 27 from Line 9 enter the amount, by department.

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Concession Contractor		Year Ending:				
Departmental Income and Expenses		SCHEDULE G				
*The Col A total is reported on Sch A on Line indicated		A	B	C	D	E
1.	Department.....	Total All Columns				
2.	GROSS REVENUES (*Sch A, Line 1) .....					
3.	RETURNS AND ALLOWANCE (*Sch A, Line 2) .....					
4.	NET SALES (*Sch A, Line 3) .....					
<b>Cost of Sales</b>						
5.	Inventory, Beginning.....					
6.	Plus Purchases .....					
7.	Less Ending Inventory .....					
8.	TOTAL COST OF SALES (*Sch A, Line 4) .....					
9.	GROSS PROFIT (*Sch A, Line 5) .....					
<b>Direct Expenses</b>						
<b>Direct Labor</b>						
10.	Salaries and Wages .....					
11.	Payroll Taxes and Benefits.....					
12.	TOTAL DIRECT LABOR .....					
<b>Other Direct</b>						
13.	Commissions.....					
14.	Operating Supplies.....					
15.	Licenses and Fees .....					
16.	Reservation Expense .....					
17.	Laundry and Uniforms .....					
18.	China, Silver, and Glass .....					
19.	Equipment Rental .....					
20.	Contract Services .....					
21.	Transportation Expense .....					
22.	Spoilage .....					
23.	Other (Identify)* .....					
24.	Other (Identify)* .....					
25.	Other (Identify)* .....					
26.	TOTAL OTHER DIRECT .....					
27.	TOTAL DIRECT (*Sch A, Line 6) .....					
28.	Department Income (Loss) (*Sch A, Line 7) .....					

\* All "Other" items over \$10,000 should be identified on Schedule K (Supporting Schedule).

Figure 7.20 - 24: Schedule G – Departmental Income and Expenses

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Concession Contractor		Year Ending:				
Departmental Income and Expenses (continuation sheet)						
		SCHEDULE G1				
*The Col A total is reported on Sch A on Line indicated		F	G	H	I	J
1.	Department.....					
2.	GROSS REVENUES (*Sch A, Line 1) .....					
3.	RETURNS AND ALLOWANCE (*Sch A, Line 2) .....					
4.	NET SALES (Schedule A, Line 3) .....					
<b>Cost of Sales</b>						
5.	Inventory, Beginning.....					
6.	Plus Purchases .....					
7.	Less Ending Inventory.....					
8.	TOTAL COST OF SALES (*Sch A, Line 4) .....					
9.	GROSS PROFIT (*Sch A, Line 5) .....					
<b>Direct Expenses</b>						
<b>Direct Labor</b>						
10.	Salaries and Wages .....					
11.	Payroll Taxes and Benefits.....					
12.	TOTAL DIRECT LABOR .....					
<b>Other Direct</b>						
13.	Commissions.....					
14.	Operating Supplies.....					
15.	Licenses and Fees .....					
16.	Reservation Expense .....					
17.	Laundry and Uniforms .....					
18.	China, Silver, and Glass.....					
19.	Equipment Rental.....					
20.	Contract Services.....					
21.	Transportation Expense .....					
22.	Spoilage .....					
23.	Other (Identify)* .....					
24.	Other (Identify)* .....					
25.	Other (Identify)* .....					
26.	TOTAL OTHER DIRECT .....					
27.	TOTAL DIRECT (*Sch A, Line 6) .....					
28.	Department Income (Loss) (*Sch A, Line 7) .....					
<p>* All "Other" items over \$10,000 should be identified on Schedule K (Supporting Schedule).</p>						

Figure 7.20 - 25: Schedule G1 – Departmental Income and Expenses (continuation sheet)

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**Schedule H – Indirect Operating Expenses**

**Undistributed Departmental Expenses**

- Line 1. Enter wages and benefits paid to employees conducting repair and maintenance for the concession. These salary and benefit expenses should not include amounts shown in Schedule G, Lines 10 and 11.
- Line 2. Enter total expenditures of material purchases for concession-related repair and maintenance activities.
- Line 3. Enter total expenditures for third-party contract services for concession-related repair and maintenance activities (e.g., window repair, plumbing, electrical).
- Line 4. Enter total expenditures for third-party contract services for non-repair and maintenance related activities (e.g., garbage removal, window washing, security services).
- Line 5. Enter the cost of utilities, such as coal, oil, gas, and other fuels; electricity; water; and sewage.
- Line 6. Enter the cost of security expenses not acquired through a third-party contract service.
- Line 7. Enter description and amount for other undistributed departmental expenses that exceed \$10,000 annually.
- Line 8. Enter description and amount for other undistributed departmental expenses that exceed \$10,000 annually.
- Line 9. Enter the sum of all other undistributed departmental expenses that are less than \$10,000.
- Line 10. Add lines 1 through 9 and enter the amount.

**General and Administrative Expenses**

- Line 11. Enter the amount from Schedule J, Line 21, plus the related payroll taxes.
- Line 12. Enter the amount incurred for administrative and general salaries, other than officers' salaries, and amounts shown on Schedule G, Departmental Income and Expenses, and include related payroll taxes.
- Line 13. Enter the cost of all phases of employee administration, including drug testing.
- Line 14. Enter the cost of all credit card charge and bank charge expense.
- Line 15. Enter the cost of telephones and other communications-related expenditures.
- Line 16. Self-Explanatory.
- Line 17. Self-Explanatory.
- Line 18. Self-Explanatory.
- Line 19. Enter the fees charged by a management organization for management services.
- Line 20. Enter the amount charged to the Concession Contractor by a parent company for services rendered.



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- Line 21. Self-Explanatory.
- Line 22. Self-Explanatory.
- Line 23. Self-Explanatory – specific consulting relationships should be described in Schedule E.
- Line 24. Self-Explanatory.
- Line 25. Self-Explanatory.
- Line 26. Self-Explanatory.
- Line 27. Self-Explanatory.
- Line 28. Self-Explanatory.
- Line 29. Enter description and amount for the cost incurred for general and administrative costs not shown elsewhere.
- Line 30. Enter the description and amount for cost incurred for general and administrative costs not shown elsewhere.
- Line 31. Enter the description and amount for cost incurred for general and administrative costs not shown elsewhere.
- Line 32. Add Lines 11 through 31 and enter the amount.

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Concession Contractor		Year Ending:
<b>Indirect Operating Expenses</b>		<b>SCHEDULE H</b>
<b>Undistributed Departmental Expenses</b>		
1.	Concession Facility Repair and Maintenance Labor Expense .....	_____
2.	Concession Facility Repair and Maintenance Material Expense .....	_____
3.	Concession Facility Repair and Maintenance Contract Service Expense .....	_____
4.	Non-facility Repair and Maintenance Contract Services Expense .....	_____
5.	Utilities Expense .....	_____
6.	Security Expense .....	_____
7.	Other (Identify)* _____	_____
8.	Other (Identify)* _____	_____
9.	Miscellaneous Undistributed Departmental Expenses .....	_____
10.	Total Undistributed Departmental Expenses (To Sch A, Line 8) .....	_____
<b>General and Administrative Expenses</b>		
11.	Owner's, Officer's, and Partner's Salaries; Payroll Taxes; and Benefits (From Schedule J, Line 21) .....	_____
	Other Salaries, Payroll Taxes, and Benefits:	
	Office/Manager's Office .....	_____
	Accounting/Finance .....	_____
	Human Resources/Personnel .....	_____
	Information System/Data Processing .....	_____
	Marketing/Promotion .....	_____
	Other (Identify) _____	_____
12.	Total Other Salaries, Payroll Taxes, and Benefits .....	_____
13.	Employee Recruitment, Personnel, and Training .....	_____
14.	Credit Card Charges and Bank Charges .....	_____
15.	Telecommunications .....	_____
16.	Advertising and Promotional Expense .....	_____
17.	Contributions .....	_____
18.	Complimentary .....	_____
19.	Management Fees .....	_____
20.	Corporate Overhead .....	_____
21.	Legal and Professional Fees .....	_____
22.	Accounting and Audit Fees .....	_____
23.	Consulting Agreements .....	_____
24.	Bad Debts .....	_____
25.	Office Expense .....	_____
26.	Postage and Freight .....	_____
27.	Travel Expenses .....	_____
28.	Dues and Subscriptions .....	_____
29.	Other (Identify)* _____	_____
30.	Other (Identify)* _____	_____
31.	Other (Identify)* _____	_____
32.	Total General and Administrative Expenses (To Sch A, Line 9) .....	_____
<p>*All "Other" items over \$10,000 should be identified on Schedule K (Supporting Schedule).</p>		

Figure 7.20 - 26: Schedule H – Indirect Operating Expenses

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**Schedule I – Computation of Government Fees**

- Line 1. Enter the amount of the flat fee specified in the contract or permit.
- Line 2. Enter the amount from Schedule A, Line 1.
- Line 3-5. Identify and enter the amount of other gross revenues from all other sources listed on Schedule F, Lines 47-49.
- Line 6. Add lines 3 through 5 and enter the amount.
- Line 7. Enter the amounts applicable to authentic United States Indian, Alaskan Native, Native Samoan, and Native Hawaiian Handcraft.
- Line 8. Enter only the amount applicable to the categories provided.
- Line 9. Enter only the amount applicable to the categories provided.
- Line 10. Enter only the amount applicable to the categories provided.
- Line 11. Enter only the amount applicable to the categories provided.
- Line 12. Enter only the amount applicable to the categories provided.
- Line 13. Enter only the amount applicable to the categories provided.
- Line 14. Enter only the amount applicable to the categories provided.
- Line 15. Enter only the amount applicable to the categories provided.
- Line 16. Enter only the amount applicable to the categories provided.
- Line 17. Enter only the amount applicable to the categories provided.
- Line 18. Enter only the amount applicable to the categories provided.
- Line 19. Enter the description and amount for other authorized deductions not shown elsewhere.
- Line 20. Add lines 7 through 19 and enter the amount.
- Line 21. Subtract Line 20 from the sum of Lines 2 and 6 and enter the amount.
- Line 22-24. Enter the percentage rate(s) as stated in the contract or permit. Calculate and enter the appropriate amount.
- Line 25. Add Lines 22 through 24 and enter the amount.
- Line 26-28. Enter the subConcession Contractor's names and amount of commission, fees, or compensation received from the subConcession Contractors shown on Lines 3 through 5.
- Line 29. Add Lines 26 through 28 and enter the amount.
- Line 30. Enter one half (50%) of the amount shown on Line 29.
- Line 31. Add Lines 1, 25, and 30 and enter the amount. This amount should equal the amount shown on Schedule A, Line 10.

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Concession Contractor		Year Ending:
Computation of Government Fees		SCHEDULE I
1.	Flat Fee.....	_____
<b>Percentage Fee</b>		
2.	Gross Revenues (Schedule A, Line 1) .....	_____
	PLUS: Other - Identify _____	Amount _____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	Total Other Gross Revenues .....	_____
<b>LESS: Authorized Deductions (if Included in Gross Revenues)</b>		
7.	Native Handcraft.....	_____
8.	Intracompany Earnings.....	_____
9.	Optional Services.....	_____
10.	Charges for Employees' Meals and Lodging.....	_____
11.	Cash Discounts on Purchases.....	_____
12.	Cash Discounts on Sales.....	_____
13.	Returned Sales and Allowances.....	_____
14.	Excise Taxes added to Sales Price.....	_____
15.	Gasoline Taxes.....	_____
16.	Cost of Fishing Licenses Fees Sold.....	_____
17.	Cost of Postage Stamps Sold.....	_____
18.	Outside of Reclamation Unit Sales (Included in Gross Revenues) ....	_____
<b>Other Authorized Deductions</b>		
19.	_____	_____
20.	Total Authorized Deductions.....	_____
21.	Total Gross Revenues Subject to Percentage Fee.....	_____
22.	Fee Structure _____ % of _____ = _____	
23.	_____ % of _____ = _____	
24.	_____ % of _____ = _____	
25.	Total Percentage Fee .....	_____
<b>FIFTY PERCENT OF COMMISSIONS/FEEES/COMPENSATION FROM SUBCONCESSION CONTRACTORS</b>		
	<b>Name of SubConcession Contractor</b> _____	<b>Amount</b> _____
26.	_____	_____
27.	_____	_____
28.	_____	_____
29.	Total Commission/Fees/Compensation From SubConcession Contractors (Schedule A, Line 25) .....	_____
30.	Fifty Percent of Commission/Fees/Compensation From SubConcession Contractors .....	_____
31.	Total Flat Fee, Percentage Fee, and SubConcession Contractor Fee (Schedule A, Line 10) .....	_____

Figure 7.20 - 27: Schedule I – Computation of Government Fees

**Schedule J – Information on Corporate Owners, Officers, and Partners**

Most of the items disclosed are self-explanatory, however, remember that the Schedule J information pertains to each individual area and each individual Concession Contract. Accordingly, if the one individual is an officer in one entity and that entity has two Contracts and one Contract operates two areas, then the entity would submit a Schedule J for all three locations and percentage of time devoted to all other business activities and all three Concession locations cannot exceed 100% for that officer. If the ownership or control of the Concession Contractor is subject to agreements, including, but not limited to, management contracts and employment contracts that would cause a change in management or a 10% change of ownership upon the occurrence or non-occurrence of certain events, then such terms must be disclosed and attached as part of Schedule J. For example, if the operating agreement of a limited liability company were to be amended to grant an employee the opportunity to purchase an ownership interest of 10% in the limited liability company upon certain events, then that amendment should be included as part of the AFR Schedule J in the year that the amendment is adopted.

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Concession Contractor							Year Ending:		
Information on Corporate Owners, Officers, and Partners								SCHEDULE J	
	A	B	C	D			E	F	G
	Name	Title	% of Time Devoted to Business	Partnership Interest	Common Stock	Preferred Stock	Total Wages	Total Benefits	Total Amount of Compensation
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									
11.									
12.									
13.									
14.									
15.									
16.									
17.									
18.									
19.									
20.									
21.	Total (Schedule H, Line 11)								
<small>* List all officers. In addition, list all owners and partners owning a 10 percent or more direct or indirect interest. If the Concession Contractor has more officers, owners, and partners than the spaces above provide for, please complete an additional schedule. Sole proprietors should not complete this form.</small>									

Figure 7.20 - 28: Schedule J – Information on Corporate Owners, Officers, and Partners

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**Schedule K – Supporting Schedule**

This schedule should include a comprehensive listing of all the expenses that are grouped together under one heading within the label of “Other” that exceed a combined line total of \$10,000. This includes:

Schedule A – Lines 19, 20, and 26  
Schedule D – Lines 11 and 17  
Schedule F – Lines 16, 30, 34, and 47-49  
Schedule G – Lines 23-25  
Schedule G1 – Lines 23-25  
Schedule H – Lines 7-8 and 29-31

Concession Contractor	Year Ending:
Supporting Schedule	SCHEDULE K

Figure 7.20 - 29: Supporting Schedule

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## Schedule L – Additions to and Disposals of Fixed Assets

For each asset acquired or disposed of during the current year, enter the information required in each column by category. Additions and disposals must be totaled by category. The categories are the same as those enumerated on Schedule C and defined in the instructions to Schedule C.

[illegible]

Figure 7.20 - 30: Additions to and Disposals of Fixed Assets



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**Schedule N – Reserve Account Annual Reconciliation**

- Line 1. Enter the amount from Schedule A, Line 1.
- Line 2. Enter amounts authorized in the contract or permit. In most circumstances, this will be the amount shown on Schedule I, Line 21.
- Line 3. Subtract Line 2 from Line 1 and enter the amount.
- Line 4. Show the percentage amount stated in the contract or contract amendment.
- Line 5. Multiply Line 3 by 4 and enter the amount.
- Line 6. Specify other calculations used in determining reserve account fees.
- Line 7. Add Line 5 and Line 7 and enter the amount.
- Line 8. Insert the ending balance from Schedule N, Line 13, from the preceding year.
- Line 9. Show the actual deposits made in the current accounting year.
- Line 10. Show the actual expenditures made in the current accounting year.
- Line 11. Show the interest income reported for this account in the current accounting year.
- Line 12. Show the bank charges reported for this account in the current accounting year.
- Line 13. Add Lines 8, 9, and 11, subtract Lines 10 and 12, and enter the amount.
- Line 14. If Line 13 has a positive balance and these funds are already obligated to another project, list the projects along with the amount of money obligated to each project.
- Line 15. Show the amount of money that is not obligated for projects.
- Line 16. Add Lines 14 and 15 and enter the amount.
- Line 17. List the deposits made in the current accounting year that were accruals due in the past calendar or fiscal year.
- Line 18. List deposits made in the current accounting year that are for payments of current year special account liabilities.
- Line 19. Add Lines 17 and 18 and enter the amount.
- Line 20. List the accrued liability the Concession Contractor has on the current year deposits.
- Line 21. Add Lines 18 and 20 and enter the amount.

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Concession Contractor	Year Ending:
<b>Reserve Account Annual Reconciliation</b>	<b>SCHEDULE N</b>
1. Gross Revenues (Schedule A, Line 1) .....	_____
2. Less-Adjustments to Gross Revenues .....	_____
3. Gross Revenues Subject to Reserve Account Calculation .....	_____
4. Reserve Account Percentage Rate .....	_____ %
5. Amount Due Reserve Account .....	_____
Other Method (Specify Calculation)	_____
6. _____	_____
7. Accrued Amount Due to Reserve Account for Current Year .....	_____
<b>Reserve Account Combined Cash Reconciliation</b>	
8. Balance in Reserve Account from Prior Year .....	_____
9. Plus: Current Year Deposits .....	_____
10. Less: Current Year Expenditures (Must also complete Schedule O) .....	_____
11. Plus: Current Year Interest .....	_____
12. Less: Current Year Bank Charges .....	_____
13. Balance in Reserve Account at Year End (Should equal Schedule B, Line16) .....	_____
<i>Allocation of Line 13</i>	
14. Encumbered Balances (List Projects and Amounts)	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
15. Unencumbered Balance .....	_____
16. TOTAL - Add lines 14 and 15 (Should equal Line 13 above) .....	_____
<b>Deposit Reconciliation</b>	
17. Reserve Account Deposits for Prior Year Liabilities .....	_____
18. Deposits for Current Year Liabilities .....	_____
19. TOTAL - Add Line 17 and Line 18 (Should equal Line 9 above) .....	_____
20. Accrued Liability Not Yet Deposited for Current Year .....	_____
21. TOTAL - Add Line 18 and Line 20 (Should equal Line 7 above) .....	_____

Figure 7.20 - 31: Reserve Account Annual Reconciliation

**Schedule O – Reserve Account Expenditures**

Line 1.

- |           |  |
|-----------|--|
| Column 1. | List the project number of each reserve account project.                   |
| Column 2. | List expenditures from reserve account by locations or site in date order. |
| Column 3. | List amount spent on each specific project.                                |
| Column 4. | Show the percentage amount of completion for the overall project.          |

**Note:** The listing of expenditures is to be specific for each individual item. Expenditures are not to be lumped together. Terms that will not be acceptable will include Building Improvements and Leasehold Improvements.

# New Melones Lake Concession Prospectus

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[illegible]

Figure 7.20 - 32: Schedule O – Reserve Account Expenditures

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**Schedule P – Operational and Miscellaneous**

**Financial Statistics**

**Lodging**

- Line 1. Show the number of hotel, motel, cabin, or other lodging units available at month's end. (Exclude all tent and RV site rentals.)
- Line 2. Show the total number of room-nights available (e.g., if 10 rooms were available throughout September, 300 room-nights were available for that month).
- Line 3. Show the total number of room-nights sold.
- Line 4. Show the gross revenues for hotel, motel, cabin, or other lodging units provided by the concession exclude all revenues from tent and RV site rentals. The entries in this row should equal the sum of Lines 1 and 2 of Schedule F.
- Line 5. Show the number of bills processed for hotel, motel, cabin, or other lodging units excluding all tent and RV site rentals.
- Line 6. Self-explanatory.
- Line 7. Show the number of employees operating the hotel, motel, cabin, or other lodging units available at month's end that were paid on an hourly basis.

**Food and Beverage (Full-Service Restaurants)**

- Line 8. Show the total number of seats available in the concession's full-service restaurants (full-service restaurants include those establishments where guests order food while seated and subsequently the food is brought to their table by a server).
- Line 9. Show the number of guests/covers who were served in those restaurants.
- Line 10. Show the number of checks/tickets processed in those restaurants.
- Line 11. Self-explanatory.
- Line 12. Show the size (in square feet) of the concession's full-service restaurants, including kitchen, storage, and other back-of-house areas.
- Line 13. Show the number of employees working in the concession's full-service restaurants at month's end who are paid on an hourly basis.

**Gifts and Merchandise**

- Line 14. Show the total number of sales transacted by the concession's gift and merchandise retail operations.
- Line 15. Self-explanatory.
- Line 16. Show the size (in square feet) of the concession's retail operations, including back-of-house areas.
- Line 17. Show the number of employees working in the concession's gift and merchandise operations at month's end who are paid on an hourly basis.

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**Marinas**

- Line 18. Show the total number of uncovered slips available for lease within the marina at month's end.
- Line 19. Show the number of uncovered slips leased at month's end.
- Line 20. Specify how many times uncovered slip leases changed owners during the month (turnover).
- Line 21. Self-explanatory.

Concession Contractor		Year Ending:											
Operational and Miscellaneous Financial Statistics													Schedule P
Months													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>Lodging</b>													
1. Number of Rooms Available .....													
2. Total Number of Nights Available .....													
3. Total Number of Nights Sold .....													
4. Gross Revenues .....													
5. Room Turnover .....													
6. Total Number of Guests .....													
7. Number of Hourly Employees .....													
<b>Food and Beverage (Full Service Restaurants)</b>													
8. Number of Seats Available .....													
9. Number of Guest Served .....													
10. Number of Checks/Tickets .....													
11. Gross Revenues .....													
12. Total Square Feet .....													
13. Number of Hourly Employees .....													
<b>Gift and Merchandise</b>													
14. Total Number of Sales .....													
15. Gross Revenues .....													
16. Total Square Feet .....													
17. Number of Hourly Employees .....													
<b>Marinas</b>													
18. Number of Uncovered Slips Available for Lease .....													
19. Number of Uncovered Slips Leased .....													
20. Uncovered Slip Turnover .....													
21. Gross Revenues (Uncovered Slips) .....													

Figure 7.20 - 33: Operational and Miscellaneous Financial Statistics

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**Schedule P1 – Operational and Miscellaneous**

**Financial Statistics (Continuation Sheet)**

- Line 22. Show the total number of covered slips available for lease within the marina at month's end.
- Line 23. Specify how many times covered slip leases changed owners during the month.
- Line 24. Self-explanatory.
- Line 25. Show the total number of dry storage units the concession made available for lease at month's end.
- Line 26. Show the number of dry storage units leased at month's end.
- Line 27. Specify how many times dry storage units changed owners during the month (turnover).
- Line 28. Self-explanatory.
- Line 29. Show the total number of mooring buoys available for lease at month's end.
- Line 30. Show the number of mooring buoys leased at month's end.
- Line 31. Specify how many times mooring buoy leases changed owners during the month (turnover).
- Line 32. Self-explanatory.
- Line 33. Show the total number of houseboats available for rent.
- Line 34. Show the number of days of houseboat rental available for rent (e.g., if 10 houseboats were available throughout September, 300 days of houseboat rental were available for that month).
- Line 35. Show the total number of days during the month the houseboats were used or occupied by paying customers.
- Line 36. Self-explanatory.
- Line 37. Show the number of times houseboats were rented, regardless of the duration of those rentals.
- Line 38. Sum up the number of houseboat users in each rental party.
- Line 39. Show the number of employees operating the marina, including any vessel rental operations, at month's end that are paid on an hourly basis.

**Miscellaneous Financial Data**

- Line 40. Show the total amount of deposits paid by visitors to secure lodging, houseboat, and other rentals in advance of their visit.
- Line 41. Provide an estimate of the value of all concession-related merchandise, food and beverage, and other inventory at month's end. Stipulate the inventory accounting method used for these estimates (e.g., LIFO or FIFO).
- Line 42. Show the total payroll for direct labor during the month. This line-item corresponds to Schedule G, Line 10. Accordingly, the sum of all entries on this line should equal what is entered in Schedule G, Column A, Line 10.

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- Line 43. Show the concession's gross revenues during the month from all sources. This line item corresponds to Schedule G, Line 2. Accordingly, the sum of all entries on this line should equal what is entered in Schedule G, Column A, Line 2.
- Line 44. If not a year-round operation, enter under the appropriate months the concession's opening and closing dates. For the opening date, enter "O," followed by the day of the month. For the closing date, enter "C," followed by the day of the month. If elements of the concession operation opened or closed at different times, enter the dates when the entire operation was opened and closed.

Concession Contractor		Year Ending:											
Operational and Miscellaneous Financial Statistics (Continuation Sheet)													
Schedule P1													
Months													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
<b>Marinas - continued</b>													
22. Number of Covered Slips for Lease .....													
23. Number of Covered Slips Leased .....													
24. Gross Revenues (Covered Slips) .....													
25. Number of Dry Storage Units Available for Lease .....													
26. Number of Dry Storage Units Leased .....													
27. Unit Turnover .....													
28. Gross Revenues (Dry Storage Units) .....													
29. Number of Mooring Buoys Available for Lease .....													
30. Number of Mooring Buoys Leased .....													
31. Mooring Buoys Turnover .....													
32. Gross Revenues (Mooring Buoys) .....													
33. Number of Houseboats Available for Rent .....													
34. Number of Days Houseboat Rental Available .....													
35. Number of Days Houseboats Used/Occupied .....													
36. Gross Revenues (Houseboat Rental) .....													
37. Number of Times Houseboats Rented .....													
38. Total Number of Houseboat Users .....													
39. Total Number of Marina Employees .....													
<b>Miscellaneous Financial Data</b>													
40. Advanced Deposits .....													
41. Inventory (Accounting Method) .....													
42. Direct Labor Expense .....													
43. Total Concessions Gross Revenues .....													
44. Open and Closing Dates .....													

Figure 7.20 - 34: Schedule P1 – Operational and Miscellaneous Financial Statistics (Continuation Sheet)



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Concession Contractor		Year:	Month:
Details of 5% Supplemental Surcharge Account (Excluding TOT and Fuel Sales)		SCHEDULE Q	
	Sales Amount	Monthly Total for Category	Monthly Surcharge Deposited
			Year to Date Surcharge Deposited
<b>LODGING</b>			
1. Hotel and Motel .....	_____	_____	_____
2. Cabins and Cottages .....	_____	_____	_____
3. Tent Cabins .....	_____	_____	_____
4. Backcountry .....	_____	_____	_____
<b>EMPLOYEE MEALS and LODGING</b>			
5. Employee Lodging .....	_____	_____	_____
6. Employee Food .....	_____	_____	_____
<b>FOOD</b>			
7. Restaurant (Full Service) .....	_____	_____	_____
8. Cafeteria .....	_____	_____	_____
9. Snack Bar and Fast Food .....	_____	_____	_____
10. Alcoholic Beverage Bar .....	_____	_____	_____
<b>SOUVENIRS</b>			
11. Gifts, Curios .....	_____	_____	_____
12. Genuine Authorized Native Handcraft .....	_____	_____	_____
<b>GENERAL MERCHANDISE</b>			
13. Grocery .....	_____	_____	_____
14. Package Liquor .....	_____	_____	_____
15. Photographic .....	_____	_____	_____
16. Other (Identity)* .....	_____	_____	_____
<b>CAMPGROUNDS</b>			
17. Tents .....	_____	_____	_____
18. RV Camping (without hook-ups) .....	_____	_____	_____
19. RV Camping (with hook-ups) .....	_____	_____	_____
20. RV Park (All other RV revenues excluding camping) .....	_____	_____	_____
<b>AUTO SERVICE</b>			
21. Fuel and Oil .....	_____	_____	_____
22. Parts, Service and Other .....	_____	_____	_____
<b>MARINA</b>			
23. Slips and Mooring .....	_____	_____	_____
24. Houseboat Rental .....	_____	_____	_____
25. Boat and Motor Rental .....	_____	_____	_____
26. Fuel and Oil .....	_____	_____	_____
27. Boat and Motor Sales .....	_____	_____	_____
28. Boat Repair .....	_____	_____	_____
29. Dry Storage .....	_____	_____	_____
30. Other (Identity)* .....	_____	_____	_____
<b>TRANSPORTATION</b>			
31. Boat .....	_____	_____	_____
32. Cruise Ship .....	_____	_____	_____
33. Vehicle .....	_____	_____	_____
34. Other (Identity)* .....	_____	_____	_____
35. Saddle Horse and Livery .....	_____	_____	_____
36. Float Trip and River runners .....	_____	_____	_____
<b>ADDITIONAL REVENUE SOURCES</b>			
37. Skiing Fees (Cross Country Fees and Lift Tickets) .....	_____	_____	_____
38. Vending Machine .....	_____	_____	_____
39. Bathhouse .....	_____	_____	_____
40. Canoe and Tube Rental .....	_____	_____	_____
41. Rentals (Auto, Equipment, Other) .....	_____	_____	_____
42. Hunting Guides .....	_____	_____	_____
43. Guide and Instructional Service .....	_____	_____	_____
44. Health Service .....	_____	_____	_____
45. Golf Sales .....	_____	_____	_____
46. Catalog Sales .....	_____	_____	_____
47. Other (Identity)* .....	_____	_____	_____
48. Other (Identity)* .....	_____	_____	_____
49. Other (Identity)* .....	_____	_____	_____
50. <b>TOTAL SALES REVENUES</b> .....	_____	_____	_____

Figure 7.20 - 35: Schedule Q – Supplemental Surcharge Report

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Concession Contractor		Year Ending:
<b>Supplemental Surcharge Annual Reconciliation</b>		<b>SCHEDULE R</b>
1.	Gross Sales Revenues (Schedule Q, Line 50) .....	
2.	Less-Adjustments to Gross Revenues .....	
	Gross Revenues Subject to Supplemental Surcharge Account .....	
3.	Supplemental Surcharge Calculation .....	
4.	Account Percentage Rate.....	%
5.	Amount Due Supplemental Surcharge Account .....	
	Other Method (Specify Calculation) .....	
6.	.....	
7.	Accrued Amount Due to Supplemental Surcharge Account for Current Year.....	
<b>Supplemental Surcharge Account Combined Cash Reconciliation</b>		
8.	Balance in Supplemental Surcharge Account from Prior Year .....	
9.	Plus: Current Year Deposits .....	
10.	Less: Current Year Expenditures (Must also complete Schedule S) .....	
11.	Plus: Current Year Interest.....	
12.	Less: Current Year Bank Charges.....	
13.	Balance in Supplemental Surcharge Account at Year End.....	
<i>Allocation of Line 13</i>		
14.	Encumbered Balances (List Projects and Amounts)	
	.....	
	.....	
	.....	
	.....	
	.....	
	.....	
15.	Unencumbered Balance .....	
16.	TOTAL - Add lines 14 and 15 (Should equal Line 13 above) .....	
<b>Deposit Reconciliation</b>		
17.	Supplemental Surcharge Account Deposits for Prior Year Liabilities .....	
18.	Deposits for Current Year Liabilities .....	
19.	TOTAL - Add Line 17 and Line 18 (Should equal Line 9 above) .....	
20.	Accrued Liability Not Yet Deposited for Current Year.....	
21.	TOTAL - Add Line 18 and Line 20 (Should equal Line 7 above) .....	

Figure 7.20 - 36: Schedule R – Supplemental Surcharge Annual Reconciliation Report

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[illegible]

Figure 7.20 - 37: Schedule S – Supplemental Surcharge Account Expenditures

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**Annual Financial Report – Definitions**

**Accounting** – The language of business that is used to measure, record, report, and interpret the financial aspects of a business.

**Accounts payable** – Money your company owes to business creditors for the purchase of outside services and goods.

**Accounts receivable** – Money owed to your company by other customers.

**Amortization** – The process of allocating the cost of an asset or the retirement of a liability over a specified number of years.

**Contracting Officer** – A field level manager.

**Assets** – In accounting terms, an asset is something having value which may be a tangible object (building and inventory) or an intangible right (patent). Tangible assets are usually categorized as either real property (property of a nature that is affixed to the land) or personal property (property such as equipment). An asset may be permanent, such as land, or possessed for a term (such as a leasehold) or it may have an expiration date (such as a contract date).

**Balance sheet** – Statement showing the company's financial position at any given point in time. This statement consists of the assets, liabilities and owner's equity.

**Capital** – Wealth in the form of money invested in the business by its owners.

**Cash** – Generally, Cash is defined as currency on hand and funds on deposit available for the payment of debts.

**Cash flow** – The inflow and outflow of money in a business in a specified time. Cash flows differ from profits or losses because of non-cash expenditure and accrual basis accounting.

**Contingent liability** – A liability that is not necessarily shown on the company's financial statements but should be disclosed and explained in the accountant's notes to the financial statements. Contingent liabilities may be due to a lawsuit and would become a current liability if the company was to lose the suit.

**Corporation** – An organization that has been chartered by the State in which the individual(s) or company is based.

**Current assets** – Cash and other assets that can be converted into cash in a short period of time (usually within 1 year). Current assets include cash, marketable securities, accounts receivable (net of an allowance for bad debts), inventory (at lower of cost or market), and prepaid expenses.

**Current liabilities** – Money that is owed by a company that will be paid within a short period of time (usually within 1 year).

**Depreciation** – A systematic approach to match the cost of a fixed asset with the expected revenues related to that fixed asset over the expected period during which the asset will be used.

**Direct expense** – Expenses that are directly related to the volume of gross sales.

**Dividend** – Payment made to corporate stockholders by the company as a result of their stock ownership rights.

**Expenditure** – A payment a company makes when it purchases a fixed asset or some other item that does not affect the income statement at the time of purchase.

**Expenses** – Cost of doing business other than that associated with the purchase of fixed assets or some similar item, such as inventory. These items will affect the income statement immediately upon payment.

**Fiscal year** – An accounting period of twelve months that does not necessarily end on December 31.

**Fixed assets** – In accounting terms-Items that are not intended for resale in the ordinary course of business; fixed assets are used in the operation of a service business, a manufacturing business, and the business of reselling the products of others. Examples are buildings, furniture and fixtures, land and improvements.

**Fixed costs** – Operating costs that remain relatively constant regardless of fluctuations in the gross sales.

**General and administrative (G&A) costs** – Expenses that are not designated to a specific business area.

**Goodwill** – Goodwill is a concept of business that allocates the difference between the purchase price of a business and the sum of the individual values for each individual tangible asset purchased to an intangible account that represents the cost of acquiring a business that can not allocated to physical assets.

**Gross profit** – Gross sales minus the cost of goods sold.

**Income statement** – See statement of income.

**Intangible assets** – Items that are important to one's business that are not physical objects. Examples of these would be goodwill, patents, trademarks, and copyrights.

**Inventory** – Raw materials, partially finished products, finished products and products bought for resale that have not yet been sold.

**Liabilities** – Debts a company owes to others.

**Long-term liabilities** – Money that is owed by a company that will not be paid within 1 year.

**Net income** – Profit at the end of the measurement period after recognition of all expenses. Also known as “the bottom line.” A Net Loss would indicate that the expenses exceed revenues.

**Partnership** – A business in which two or more individuals, partnerships, or corporations pool their resources and share the profit or loss of the joint venture.

**Prepaid expense** – Payment of expenses before the company has received the benefit.

**Retained earnings** – The total cumulative net profit that a business has earned over its lifetime that has not yet been distributed.

**Statement of income or losses** – Summarizes the financial activity for a specified time period by looking at the gross revenue and the expenses generated by

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the company. This statement is also called the profit and loss (P&L) statement.